

Minutes of the Meeting of the Board of Trustees of the University of Kentucky, Tuesday, January 19, 1993.

The Board of Trustees of the University of Kentucky met at 1:00 p.m. (Lexington time) on Tuesday, January 19, 1993 in the Board Room on the 18th floor of Patterson Office Tower on the Lexington Campus.

A. Meeting Opened

Governor Edward T. Breathitt, Chairperson, called the meeting to order at 1:00 p.m., and the invocation was pronounced by Judge Henry R. Wilhoit, Jr.

B. Roll Call

The following members of the Board of Trustees answered the call of the roll: Governor Edward T. Breathitt (Chairperson), Mrs. Kay Shropshire Bell, Professor Carolyn S. Bratt, Mr. Paul Chellgren, Mr. James Hardyman, Mr. Pete November, Dr. Elissa Plattner, Dr. Deborah Powell, Mr. James L. Rose, Mrs. Marian Moore Sims, Professor John Sistarenik, Jr., Mr. William B. Sturgill, Mr. Daniel C. Ulmer, Jr., Mrs. Lois Combs Weinberg, Mr. Billy B. Wilcoxson, and Judge Henry R. Wilhoit, Jr. Absent from the meeting were Mr. Robert Clay, Mr. Henry Jackson, Dr. Robert P. Meriwether, and Mr. C. Frank Shoop. The University administration was represented by President Charles T. Wethington, Jr.; Chancellors Peter P. Bosomworth, Ben W. Carr, Jr., and Robert E. Hemenway; Vice Presidents Joseph T. Burch, Edward A. Carter, Donald B. Clapp, Linda J. Magid, and Eugene R. Williams; Dr. Juanita Fleming, Special Assistant for Academic Affairs; Mr. C. M. Newton, Athletics Director, Mr. John C. Darsie, Legal Counsel.

Members of the general public and the news media were also in attendance. A quorum being present, Governor Breathitt declared the meeting officially open for the conduct of business at 1:03 p.m.

C. Approval of Minutes

Governor Breathitt noted that the Minutes of the December 8, 1992 meeting had been distributed and were amended following their distribution. He asked for additions or corrections and entertained a motion for approval of the Minutes as amended. Mr. Ulmer moved approval. Mr. Chellgren seconded the motion, and it passed.

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

President Wethington called on Professor Christine Havice, Director of the Honors Program, to make a presentation to the Board about the Honors Program.

Professor Havice began her presentation by asking for a moment of silence to express condolences to the family, colleagues and students at East Carter High School where there had been a tragic slaying on January 18.

Professor Havice reported that the Honors Program is one of the oldest in the country, founded in 1961 to attract top students by

- providing a small class format in which students can be active learners and participants,
- providing interdisciplinary perspectives which stress connections, as well as differences, among questions and issues in the humanities,
- encouraging individual exploration and development which is possible with lower student-teacher ratio, and
- stimulating critical thinking appropriate to the level of intellectual maturity and experience of the students.

She said that the Honors Program has long been noted as an important part of both the academic and residential life experience at the University of Kentucky. She reported on recent innovations in the Residence Hall programming and noted that the Honors Program has increased 40% in the past three and one-half years.

Professor Havice introduced first-year students Jane Ann Bardin, LaMer Kyle-Reno, Phong Doan and Mark Blair who were in the audience and asked them to stand and be recognized. They were given a round of applause. She said that the students would be available following the Board meeting to talk about their experiences in the Honors Program and respond to any questions.

She continued her presentation by reporting that the Honors Program students are first-rate students from almost every county in the State of Kentucky, half the states in the union, the District of Columbia, and several foreign countries. This group of students includes National Merit Finalists and Singletary Scholars.

She said that the Honors Program students choose majors and careers that reflect colleges on the entire campus, noting that the Honors Program is a microcosm of the University itself. She explained that the students must enroll in four colloquia during the first two years (one per semester). These colloquia take an interdisciplinary approach to the humanities and include significant writing instruction and practice, as well as other communication skills. She said that the students must also complete a final Program requirement in their junior and senior years by enrolling in a special 300-level interdisciplinary seminar or by completing a long-term Independent Project. Professor Havice commented that a large number of the students go on to Graduate School or attend a professional school.

She reported that the faculty members share appointments with various departments and mentioned some of the numerous awards that the faculty have earned.

Following a report on their organized activities, she invited the members of the Board to visit the residence hall and take part in any of their events.

President Wethington thanked Professor Havice for her presentation. He reiterated that the Honors Program students do go on and achieve success and recognized Trustee Chellgren as having been a student in the Honors Program.

President Wethington reviewed the following items in PR 1:

1. A buyer's guide to colleges lists the University of Kentucky among the top 250 colleges in the country.
2. Grants and contracts are up 17 percent for the six months ending December 31, 1992.
3. The Community College System has initiated a Strategic Planning Project designed to position the colleges for a major resource development effort.
4. The University of Kentucky Hospital has performed its 1,000th kidney transplant.

He asked the members of the Board to review the other items in the report at their leisure.

President Wethington continued his report to the Board by giving a slide presentation on the review of the structure and staffing in the University of Kentucky. He said that the University Strategic Plan indicates that the University's organization, values and management processes should support the realization of University goals in an efficient and effective manner and that the University structure, policies and procedures should be assessed periodically to ensure their responsiveness to changing goals and directions. Also, the recent University Self-Study and the Reaffirmation Committee Report urged that the University undertake a careful and thorough study of the administrative structure with this review focused on the clearer definition of central and sector functions, more effective management responsibility for institutional effectiveness functions, and possible achievement of some economies and efficiencies.

He said that recent budget reductions have necessitated a critical look at structure and staffing at the University. He reminded the Board that state government budgets were reduced by \$85 million in October 1991, with the recurring reduction for the system of higher education established at \$31.7 million. The program reduction to the University of Kentucky's University System was established at \$11.9 million and at \$3.3 million for the Community College System. In addition to that \$15.2 million program reduction, the 1992-93 state appropriation for the University System included an additional reduction of \$11.5 million, for a total program reduction of \$26.7 million, nearly 10% of the state appropriation in the University System and 5% in the Community College System.

President Wethington said that in dealing with those budget reductions, the fundamental objective was to implement them in the least damaging manner to the University with the highest priority placed on protecting academic programs (instruction, research and service), and

University employees' jobs and salaries. He said that he had committed to the Board, as well as to University faculty and staff, that considerable effort would be devoted during 1992-93 to a review of the University's administrative structure and staffing patterns to ensure that resources were being utilized as effectively as possible to support the primary mission of the University and to preserve and enhance funding for academic programs wherever possible.

He reported that the restructuring and staffing review had four primary purposes:

1. to respond to ongoing strategic planning commitments to ensure that the University's organization, values and management processes support the realization of University goals in an efficient and effective manner;
2. to ensure, in light of the recent reductions, that University resources are being utilized as effectively as possible to support the primary mission of the University and that the budget reductions don't adversely impact the academic program any more than absolutely necessary;
3. to review the appropriateness of University staffing patterns and levels; and
4. to address the questions presented by the Self-Study and Reaffirmation Committee reports concerning the University's administrative structure. (The Southern Association of Colleges and Schools has reaffirmed the accreditation of the University.)

President Wethington reminded the Board of his commitment to them at the June 1992 meeting to review the University's administrative structure, staffing patterns and workload during 1992-93. He informed them that he had directed the chancellors and vice presidents to initiate that process within their respective areas on July 1, 1992. Also, he appointed a broad-based faculty committee to review and make recommendations to him on a faculty workload policy for the University System. The chancellors and vice presidents were required to put in place committees to review their respective units at all levels. If structural issues were raised that crossed sector or vice presidential lines, those issues were to be discussed and agreed to between or among chancellors and vice presidents before being proposed to the President. He said that organizational issues which were raised and which were University-wide in nature were to be submitted directly to him. From July through mid-December, each of the chancellors and vice presidents conducted a participatory restructuring review within his/her area.

He explained the individual review process for the Community College System, the Medical Center, the Lexington Campus and the vice presidential areas. He noted that a very broad cross-section of University faculty, staff, and students participated in the restructuring review of the organization. He said that all of the preliminary reports were submitted to him on December 15th, including the Faculty Workload Committee's preliminary report for implementation during the Spring Semester of 1993. He reported that his Cabinet held several day-long sessions in December and January discussing these preliminary reports at length.

President Wethington then reviewed the actions proposed in the Plan of Action which are to be completed by July 1, 1993, unless an alternative completion date is indicated. The Plan of Action consisted of changes in the University administrative and academic structure and changes in administrative and academic processes.

He reported that the extensive review, discussions and recommendations throughout the University identified a number of organizational alternatives for the top level administrative structure of the University; therefore, a consultant(s) will be employed to review and recommend on the most appropriate University administrative structure. The consultant(s) will review the various recommendations that came from the University internal review as well as options for administrative organization that may not have been suggested by the internal review. He said that he was committed to undertake such a review since the Self-Study and the Visiting Committee Report favored employing an outside consultant(s). It is his intention to employ a consultant in the near future and have the review completed and any action taken prior to the beginning of the Fall Semester 1993.

President Wethington continued his presentation with a report on the staffing review. He said that in July of 1992 he asked each chancellor and vice president to review staffing patterns in his/her respective area as a part of the restructuring review to determine if the levels of staff support were appropriate to accomplish the unit's goals and those of the University. He explained that because of the good data available on staffing from 1975, this year was used as a base for the review.

He reported that there had been an increase of 658 faculty (144%) and 526 staff employees (148%) since 1975 in the Community College System. These increases relate to increased service levels resulting from a 165% increase in enrollment during the same period. As a result of the October 1991 budget reductions, there have been 16 staff positions and 18 faculty positions eliminated in the Community College System.

He said that the available data showed that there has been an increase in the University System of 171 faculty (12%) and 886 staff (21%) from 1975 to 1991. As a result of the October 1991 budget reductions, there have been 441 staff positions and 100 faculty positions eliminated in the University System. Based on this staffing review, it is concluded that current overall faculty and staff levels in the University System are supported by enrollment growth (7%), planned program growth, research program growth, and special state appropriations for specified new programs or program enhancements.

He reminded the Board that the decrease in positions occurred as a result of vacancies in order to preserve people in their jobs and not have employees laid off. He said that 575 positions funded on state funds had been taken out of the budget and emphasized that they had not been taken from external contracts and grants. He noted that the entire staffing review and the elimination of positions occurred concurrently.

President Wethington referred back to the increases in staff since 1975. He mentioned the enrollment growth and said that there had also been some program growth. He noted that the University now has a Vice President for Research and Graduate Studies and a Vice President for Information

Systems. These positions were deliberately established to emphasize functions which created the need to employ additional staff. He reminded the Board that the University had received some special state funding for new programs such as: the Robotics Center, the rural health initiative, and the energy lab. These are obviously big programs that have created the need to employ staff. He then noted that the staff area had been impacted the most in the elimination of positions.

President Wethington provided a summary of the financial impact of the budget reduction and restructuring plan and elaborated on the individual items in the summary.

Position Eliminations	\$14.6 million
Overtime Work and Part-Time Hiring Reduced	.7 million
Travel, Printing and Operating Expenses Reduced	7.1 million
Equipment Purchases and Renovations Reduced	.6 million
More Stringent Utility Conservation Programs Implemented	.5 million
Contingency Reserves Reduced	1.1 million
General Fund Expenses Moved to Other Fund Sources	2.1 million
Restructuring-Reallocations	<u>2.6 million</u>
TOTAL	\$29.3 million

He said that the 2.6 million is a conservative figure for the restructuring moves reflected in the report. Any dollars generated as a result of the restructuring process will be considered for primary program priorities when preparing the 1993-94 Operating Budget. He expressed hope that additional dollars would be available to apply to primary program areas and/or salary increases.

President Wethington informed the Board that this report would be sent to all full-time faculty and staff in the University, including the Community College System.

He reported that the administration is ready to move on the completion of the Strategic Plan, the preparation of the 1993-94 Operating Budget and the preparation of the Biennial Budget Request for 1994-96. He stressed the importance of the 2% that the University has been asked to hold for another possible budget cut and said that he hoped it would not be cut from the University's budget. He asked the members of the Board to advocate for the support of higher education and, in doing so, to indicate that the institution has managed its two previous budget cuts, has lowered its budget base, has seriously looked at itself, and does need financial support to accomplish the objectives that, in his opinion, the Commonwealth wants the University to do. He said that it is important that the University start showing some increases in its budget to reflect that the institution is important and to be able to reward the faculty and staff for a job well done.

In conclusion, he said that this is a report to the Board of actions the administration has taken in conjunction with faculty and staff in a participatory process for managing the institution in a fashion that he hopes the Board feels has lead to a determination of priorities inside the University. He thanked the Board for their patience in listening to the report.

Mr. Wilcoxson and Mr. Sturgill commended President Wethington, the faculty and staff, the students, and committee members for the good job and hard work that they have done in trying to meet the demands of the budget reductions.

In anticipation of questions from the public, Mrs. Bell asked for an explanation about the recommendation to eliminate degree programs. Chancellor Hemenway explained the process for examining the total curriculum and indicated that the programs discussed were from faculty recommendations. Chancellor Bosomworth pointed out that while certain programs would be eliminated, many of the functions in those degree programs would be captured in more broad based programs in other areas of the University. Chancellor Hemenway said that there would be a considerable amount of deliberation about the degree programs before any were eliminated.

Governor Breathitt asked for further comments or questions. He expressed appreciation to President Wethington for the straightforward way he, his faculty and staff, and the university community have approached the situation and for making this report available to the public so that everyone will have an understanding of the process and the results of the whole effort.

E. Appointment of Director, University of Kentucky Lucille Parker Markey Cancer Center (PR 6A)

President Wethington said that he would like to change the order of the action items and address PR 6A first. He reported that PR 6A is a recommendation that Kenneth A. Foon, M.D., be named Director of the Lucille Parker Markey Cancer Center, effective January 1, 1993. He said that the University had conducted a nationwide comprehensive search for a new director. He briefly reviewed Dr. Foon's impressive credentials, noting that his research background is at the very forefront of health care research today. Dr. Powell made a motion to approve the appointment of Dr. Foon. Her motion, seconded by Mr. Rose, carried unanimously. Dr. Foon was in attendance and was asked to stand and be recognized, following which he received a round of applause. (See PR 6A at the end of the Minutes.)

F. Personnel Actions (PR 2)

President Wethington reported that PR 2 reflects the personnel changes that have been made by the administration and those recommendations that must be approved by the Board. He recommended that PR 2 be adopted. Mrs. Weinberg moved approval. Her motion was seconded by Mr. Chellgren and passed. (See PR 2 at the end of the Minutes.)

G. Proposed New Bachelor of Arts Program in Foreign Languages and International Economics (PR 3A)

President Wethington recommended that the Board of Trustees authorize the approval of the new degree program, Bachelor of Arts in Foreign Languages and International Economics, for submission to the Council on Higher Education. Mr. Chellgren moved approval. The motion, seconded by Mrs. Bell, carried. (See PR 3A at the end of the Minutes.)

H. Proposed Amendment to the University of Kentucky Tobacco and Health Research Foundation, Inc. Articles of Incorporation (PR 3B)

President Wethington recommended that the proposed amendment to the Articles of Incorporation of the University of Kentucky Tobacco and Health Research Foundation, Inc. be approved by the Board. He noted that Dr. Magid had worked with the Board to change the composition of the membership of the Board. Mr. Ulmer moved approval. Mr. Chellgren seconded the motion and it carried. (See PR 3B at the end of the Minutes.)

I. Candidates for Degrees - Community College System (PR 4A)

President Wethington recommended that the degrees specified on the list attached to PR 4A be awarded to the persons named, upon certification that the requirements for those degrees have been satisfactorily completed. Professor Sistarenik moved approval. His motion, seconded by Mr. Rose, passed. (See PR 4A at the end of the Minutes.)

J. Acceptance of Interim Financial Report for the University of Kentucky for the Six Months Ended December 31, 1992 (FCR 1)

Mr. Hardymon, Chairperson of the Finance Committee, reported that the Finance Committee had met that morning and reviewed twelve items for the Board's consideration. He said that FCR 1 is the Interim Financial Report. It shows that the realized income as of December 31, 1992 is 51% of the 1992-93 estimate and expenditures/commitments at that time is 49% which illustrates that the University has a solid performance in relation to the budget. Mr. Chellgren made a motion to approve FCR 1. Mr. Ulmer seconded the motion, and it carried. (See FCR 1 at the end of the Minutes.)

K. Capital Construction Report (FCR 2)

Mr. Hardymon said that FCR 2 is the Capital Construction Report. He reported that the Finance Committee had reviewed the report and it is very complete. He recommended that FCR 2 be accepted. Mr. Ulmer moved acceptance of the report. Mrs. Weinberg seconded the motion, and it passed. (See FCR 2 at the end of the Minutes.)

L. Approval of Lease (FCR 3)

Mr. Hardymon said that FCR 3 is a lease that exceeds \$30,000 and requires Board approval. The lease involves Hazard Community College and is for lease space for expansion in the old Hazard Post Office building. He recommended approval of the lease. Mr. Chellgren moved approval. His motion, seconded by Mr. Rose, carried. (See FCR 3 at the end of the Minutes.)

M. 1992-93 Budget Revisions - Central Administration (FCR 4)

Mr. Hardymon said that FCR 4 involves budget revisions to the 1992-93 approved budget. He noted that there is an explanation of all of the changes in the documents and the increase in revenues generate the need for the increase in expenditures. Mr. Wilcoxson moved approval of FCR 4. Mr. Chellgren seconded the motion, and it passed. Governor Breathitt commented that there was a full discussion on the budget at the Finance Committee meeting. (See FCR 4 at the end of the Minutes.)

N. Acceptance of Gift from the W. Bruce Lunsford Foundation and Vencor, Inc. (FCR 5)

Mr. Hardymon reported that FCR 5, 6 and 7 are about very nice gifts that have been given to the University. FCR 5 is a gift from Mr. Bruce Lunsford, Chief Executive Officer of Vencor, Inc. and a graduate of the University of Kentucky. His gift of \$300,000 is to the Commonwealth Library Campaign and the Sanders-Brown Center on Aging. He recommended approval to accept the gift. Mr. Chellgren moved approval. The motion, seconded by Mr. Rose, carried unanimously. (See FCR 5 at the end of the Minutes.)

President Wethington noted that Mr. Lunsford is a former member of the Board of Trustees and expressed appreciation for his gift to the University.

O. Acceptance of Gift from the Knight Foundation (FCR 6)

Mr. Hardymon said that FCR 6 asks for the acceptance of a gift of \$200,000 from the Knight Foundation to the Commonwealth Library Campaign. He reported that \$100,000 of the gift will be applied to the building fund and the remaining \$100,000 will be applied to the National Endowment for the Humanities Book Endowment Fund. Mr. Ulmer moved approval of FCR 6. His motion, seconded by Mr. Chellgren, passed. (See FCR 6 at the end of the Minutes.)

President Wethington thanked the officials at the Herald-Leader, Lewis Owens, Tim Kelly and David Holwerk, and others who pushed strongly for this grant to the University. He noted that Creed Black, who previously served as publisher of the Herald-Leader, is Chief Executive Officer of the Knight Foundation. He expressed appreciation to all of those who helped achieve the gift.

P. Establishment of Quasi-Endowment for the Doris Hatchell Memorial Fund (FCR 7)

Mr. Hardymon reported that the University had received a check in the amount of \$76,460.99 from the estate of Ernest Hatchell which represents a bequest to the College of Nursing to be used for nursing scholarships. President Wethington noted that this is the largest private gift that has been received by the College of Nursing. He commended Dean Carolyn Williams for receipt of this gift and asked her to stand and be recognized, following which she received a round of applause. Professor Bratt moved that the Board approve FCR 7. The motion was seconded by Mrs. Sims and carried unanimously. (See FCR 7 at the end of the Minutes.)

Q. Resolution of the Board of Trustees of the University of Kentucky Approving the Report of the Director, Auxiliary Services, University of Kentucky, Relating to the Physical Inspection of the Housing and Dining Buildings and Appurtenant Facilities of the University's Housing and Dining System (FCR 8)

Mr. Hardymon recommended that the Board approve the report of the Director of Auxiliary Services relating to the physical inspection of the housing and dining buildings and facilities of the university's housing and dining system. He commented that the next action item will be to accept a bid

for a loan for revenue bonds for use in improving these facilities. The documented letter from the Director states that the facilities are in good and tenable state of repair. The Finance Committee reviewed the documentation and recommends approval of FCR 8. Mr. Wilcoxson moved approval. The motion, seconded by Mrs. Sims, passed. (See FCR 8 at the end of the Minutes.)

R. Resolution of the Board of Trustees of the University of Kentucky Accepting the Successful Bid for the Purchase of University of Kentucky Housing and Dining System Revenue Bonds, Series M (FCR 9)

Mr. Hardymon said that FCR 9 was the review of any bids that might be received as a part of the process for FCR 8. He explained that the University had to go out for bids to determine whether there was a better interest rate than the government loan rate. He reported that bids were to be received at 10 a.m. and no bids were received. Therefore, the U.S. Department of Education 5.5% guarantee on the \$2,866,000 of revenue bonds seemed to be the best approach. He said that the Finance Committee recommends the Board approve FCR 9. On motion made by Mr. Chellgren, seconded by Mrs. Weinberg and carried, it was approved. (See FCR 9 at the end of the Minutes.)

S. Resolution of the Board of Trustees of the University of Kentucky Accepting the Successful Bid for the Purchase of \$20,970.00 (Plus or Minus up to 10%) Principal Amount of University of Kentucky Hospital Refunding Revenue Bonds, Series A (Second Series), Dated January 1, 1993 (FCR 10)

Mr. Hardymon reported that FCR 10 was brought about by the low interest rates that are now available. The Finance Committee had a review made of some of the outstanding bonds to determine whether they should be refinanced. He reminded the Board that this report was given to them at the last meeting and with the Board's approval the \$20,970,000 University of Kentucky Hospital Refunding Revenue Bonds, Series A, was put out for bid. Four bids were received at 10 a.m. and Hilliard & Lyons' bid of 5.35% was accepted by the Finance Committee. He reported that this refinancing will provide \$1,534,000 gross interest savings, and he recommended approval. Mrs. Sims moved approval. The motion, seconded by Mr. Rose, passed unanimously. (See FCR 10 at the end of the Minutes.)

T. A Resolution Authorizing the Issuance of University of Kentucky Consolidated Educational Buildings Refunding Revenue Bonds, Series F (Second Series), Dated March 1, 1993, of the Board of Trustees of the University of Kentucky (FCR 11)

Mr. Hardymon recommended that the Board approve a Resolution authorizing the issuance of \$6,340,000 of University of Kentucky Consolidated Educational Building Revenue Bonds, Series F (Second Series), dated March 1, 1993. He explained that this is another refinancing of bonds and the date to accept bids will be March 2. He said that the estimate on this savings is obviously lower because of the smaller number of dollars, but it is still a substantial potential savings. Mr. Ulmer moved approval. Mr. Wilcoxson seconded the motion, and it passed. (See FCR 11 at the end of the Minutes.)

U. Approval of Section 125 Salary Reduction Plan (FCR 12)

Mr. Hardyman said that the Finance Committee was recommending that the Board approve additional tax sheltered employee benefit plans under Internal Revenue Code Section 125. He reviewed the plans and said that, in his opinion, this was a very attractive way to go, particularly with the health care demands on everyone. He noted that Hewett and Associates had been advising the University about the plans and assisted them with the document. On motion made by Mrs. Sims, seconded by Professor Bratt and carried, FCR 12 was approved. (See FCR 12 at the end of the Minutes).

Governor Breathitt mentioned that there had been a very broad attendance of Board members at the Finance Committee meetings and expressed appreciation to them for their interests.

V. Meeting Adjourned

There being no further business to come before the Board, the meeting adjourned at 2:51 p.m.

Respectfully submitted,

Lois Combs Weinberg
Secretary
Board of Trustees

(PR's 2, 3A, 3B, 4A, and 6A; and FCR 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12 which follow are official parts of the Minutes of the meeting.)

Office of the President
January 19, 1993

PR 2

Members, Board of Trustees:

PERSONNEL ACTIONS

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

Background: The attached recommended appointments and/or other staff changes require approval by the Board of Trustees in accordance with Part VIII-B of the Governing Regulations of the University. These recommendations are transmitted to the Board by the appropriate chancellor through the President and have the President's concurrence.

Under the Governing Regulations, the authority to make certain appointments and/or other staff changes is delegated to the President or other administrators who are required to report their actions to the Board. These items of report follow the recommendations requiring Board approval.

Action taken: Approved ☒ Disapproved ☐ Other ☐

Date: January 19, 1993

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CENTRAL ADMINISTRATION

I. ADMINISTRATIVE ACTION

A. REAPPOINTMENTS

Libraries

Rogers, Kandace S., reappointment to Librarian IV
(without tenure), GPD/Maps Electronic Services,
effective 12/1/92 through June 30, 1993.

Ryder, Rebecca J., reappointment to Librarian IV
(without tenure), Preservation Department, effective
12/1/92 through 6/30/93.

COMMUNITY COLLEGE SYSTEM

I. BOARD ACTION

A. ADMINISTRATIVE APPOINTMENTS

Southeast Community College

Noe, Roger, Professor in the Community College System (with tenure), appointed Dean of Academic Affairs, effective 1/1/93.

B. RETIREMENTS

Henderson Community College

Herron, Jocie Jean, Office Assistant I, (under AR II-1.6-1 Section III.B), following 16.5 consecutive years of service, effective 12/31/92.

C. EARLY RETIREMENTS

Hopkinsville Community College

Heltsley, Genieve S., Library Technician IV, (under AR II-1.6-1 Section III.A.1), following 23.5 consecutive years of service, effective 3/21/93.

Maysville Community College

Brannen, Nancy, Office Assistant III, (under AR II-1.6-1 Section III.A.2), following 19 consecutive years of service, effective 1/20/93.

D. POST-RETIREMENT APPOINTMENTS

Ashland Community College

Sowards, John B., Professor in the Community College System (without tenure), 1/1/93 through 5/31/93.

II. ADMINISTRATIVE ACTION

A. ACADEMIC APPOINTMENTS

Hazard Community College

Gill, Julia A., Instructor in the Community College System, 11/15/92 through 6/30/93.

Lexington Community College

Workman, William J., Instructor in the Community College System (voluntary), 11/25/92 through 6/30/95.

Paducah Community College

Todd, Nancy, Instructor in the Community College System
(voluntary), 1/1/93 through 12/31/93.

B. REAPPOINTMENTS

Henderson Community College

Burton, Sharon K., Instructor in the Community College
System, 1/1/93 through 6/30/93.

C. LEAVES OF ABSENCE

Ashland Community College

Adkins, Nancy, Associate Professor in the Community College
System (with tenure), sabbatical leave at full salary
for the 1993 Spring Semester.

Elizabethtown Community College

Schork, James E., Assistant Professor in the Community
College System, sabbatical leave at one-half salary
for the 1993 Spring Semester.

LEXINGTON CAMPUS

I. BOARD ACTION

A. ACADEMIC APPOINTMENTS

College of Agriculture

Niffenegger, Daniel A., Adjunct Professor, Agronomy,
12/1/92 through 6/30/94.

B. ADMINISTRATIVE APPOINTMENTS

College of Education

Winograd, Peter, Associate Professor (with tenure),
Curriculum and Instruction, appointed Chairman,
Curriculum and Instruction, 7/1/92 through 6/30/96.

College of Fine Arts

Hoffman, Donald H., Associate Professor (with tenure),
Art, appointed Associate Dean, College of Fine
Arts, 8/1/92 through 6/30/93.

C. RETIREMENTS

College of Agriculture

Bradley, Neil W., Professor (with tenure), Animal
Sciences, after 34.5 consecutive years of service,
under Section III.B of AR II-1.6-1, effective
2/28/93.

Deaton, Alma, EFNEP Assistant, Cooperative Extension
Service, after 12 consecutive years of service,
under Section III.B of AR II-1.6-1, effective
1/4/93.

College of Arts and Sciences

Gallaher, Art, Jr., Professor (with tenure),
Anthropology, after 29.5 consecutive years of
service, under Section III.B of AR II-1.6-1,
effective 12/31/92.

Schwendeman, Mary F., Account Clerk V, Chemistry,
after 14.5 consecutive years of service, under
Section III.B of AR II-1.6-1, effective 1/4/93.

College of Education

Rizk, Abdelmonem, Associate Professor (with tenure),
Health, Physical Education and Recreation, after
25.25 consecutive years of service, under Section
III.B of AR II-1.6-1, effective 12/31/92.

D. EARLY RETIREMENTS

College of Agriculture

Jackson, Edith K., EFNEP Assistant, Cooperative
Extension Service, after 15 consecutive years of
service, under Section III.A.2 of AR II-1.6-1,
effective 12/3/92.

College of Arts and Sciences

Companion, Audrey L., Professor (with tenure),
Chemistry, after 17.5 consecutive years of service,
under Section III.A.2 of AR II-1.6-1, effective
12/31/92.

College of Fine Arts

Tuska, John R., Professor (with tenure), Art, after 29.5
consecutive years of service, under Section III.A.2
of AR II-1.6-1, effective 12/31/92.

Vice Chancellor for Administration

Byrd, Lena J., Custodial Worker IV, Services, Physical
Plant Division, after 21.25 consecutive years of
service under Section III.A.2 of AR II-1.6-1,
effective 12/31/92.

Weber, Lillian S., Food Service Worker III, Blazer
Dining Services, Auxiliary Services, after 16.25
consecutive years of service under Section III.A.2
of AR II-1.6-1, effective 2/12/93.

E. POST-RETIREMENTS

College of Agriculture

Tuttle, Patricia, Pathologist (part-time), Veterinary
Science, 1/1/93 through 12/31/93.

Yeoman, Joe, Electronic Tech III (part-time),
Agricultural Engineering, 10/1/92 through 6/30/93.

II. ADMINISTRATIVE ACTION

A. ACADEMIC APPOINTMENTS

College of Architecture

Knight, Stephen H., Instructor (part-time), 1/1/93
through 5/15/93.

College of Arts and Sciences

Finney, Nikky, Assistant Professor (temporary), English,
1/1/93 through 5/15/93.

College of Human Environmental Sciences

Conkling, Margaret, Instructor (part-time), Human
Environment: Design and Textiles, 1/1/93 through
5/15/93.

Haleman, Diana, Instructor (part-time), Family Studies,
1/1/93 through 5/15/93.

College of Law

McNeill, John G., Instructor (part-time), 1/11/93
through 5/8/93.

B. REAPPOINTMENTS

College of Arts and Sciences

Barron, Susan, Assistant Professor, Psychology, 7/1/93
through 6/30/95.

Battista, Philip A., Instructor (part-time), Sociology,
1/1/93 through 5/15/93.

Butler, Steven M., Assistant Professor, Statistics, and
Assistant Professor, Sanders-Brown Center on Aging,
Research and Graduate Studies, 7/1/93 through
6/30/95.

Chen, Zhe, Assistant Professor, Psychology, 7/1/93
through 6/30/95.

Eich, Jennifer Lee, Assistant Professor, Spanish and
Italian, 7/1/93 through 6/30/95.

Fertig, Herbert A., Assistant Professor, Physics and
Astronomy, 7/1/93 through 6/30/95.

Griffioen, James N., Assistant Professor, Computer
Science, 7/1/93 through 6/30/95.

Hardesty, Sharon L., Instructor (part-time), Sociology,
1/1/93 through 5/15/93.

Harling, Philip R., Assistant Professor, History, 7/1/93
through 6/30/95.

Hunt, Scott A., Assistant Professor, Sociology, 7/1/93
through 6/30/95.

Leedham, Cynthia A., Instructor (part-time), Sociology,
1/1/93 through 5/15/93.
Moecher, David P., Assistant Professor, Geological
Sciences, 7/1/93 through 6/30/95.
Nyerges, A. Endre, Assistant Professor, Anthropology,
7/1/93 through 6/30/95.
Roberts, Susan M., Assistant Professor, Geography,
7/1/93 through 6/30/95.
Scaife, Allen Ross, Assistant Professor, Classics,
7/1/93 through 6/30/95.
Seales, William Brent, Assistant Professor, Computer
Science, 7/1/93 through 6/30/95.
Williams, Anne Marie, Instructor (part-time), Spanish
and Italian, 1/1/93 through 5/15/93.

College of Engineering

Shah, Naresh, Assistant Research Professor, Chemical
Engineering, 1/1/93 through 12/31/93.

College of Human Environmental Sciences

Burke, Ellen Mary, Instructor (part-time), Family
Studies, 1/1/93 through 5/15/93.
Duncan, Ruth H., Instructor (part-time), Human
Environment: Design and Textiles, 1/1/93 through
5/15/93.
Hoskin, Sharla Jean, Instructor (part-time), Human
Environment: Design and Textiles, 1/1/93 through
5/15/93.
Kingsland, Elizabeth, Instructor (part-time), Human
Environment: Design and Textiles, 1/1/93 through
5/15/93.
Morris, Elizabeth S., Instructor (part-time), Nutrition
and Food Science, 1/1/93 through 5/15/93.

Office of Undergraduate Studies

Buttry, Dolores J., Instructor (part-time), Honors,
1/1/93 through 5/31/93.

C. LEAVES OF ABSENCE

College of Agriculture

Adams, David B., County Extension Agent, Cooperative
Extension Service, Study leave with full salary,
1/13/93 through 6/30/93.

College of Engineering

Serrano, Sergio, Associate Professor (with tenure),
Civil Engineering, Sabbatical leave with full
salary, Fall Semester 1993.

MEDICAL CENTER

I. BOARD ACTION

A. ACADEMIC APPOINTMENTS

College of Allied Health Professions

Malone, Terry R., Associate Professor* (with tenure),
Clinical Sciences, effective 1/1/93.

College of Medicine

Foon, Kenneth A., Professor (with tenure), Medicine,
effective 1/19/93.

B. ADMINISTRATIVE APPOINTMENTS

College of Allied Health Professions

Malone, Terry R., Associate Professor* (with tenure),
Clinical Sciences, named Director, Division of
Physical Therapy, effective 1/1/93.

College of Medicine

Foon, Kenneth A., Professor (with tenure), Medicine,
named Director, Markey Cancer Center, effective
1/19/93.

University Hospital

Sexton, Karen H., named Director of Nursing, effective
1/19/93.

C. ADMINISTRATIVE REAPPOINTMENTS

College of Allied Health Professions

Bruckner, Geza G., Professor (with tenure), Clinical
Sciences, named Chairman, Clinical Sciences, 1/19/93
through 1/18/97.

D. JOINT APPOINTMENTS

College of Medicine

Hodes, Jonathan E., Assistant Professor, Surgery, joint
appointment as Assistant Professor, Diagnostic
Radiology, 12/1/92 through 6/30/93.

*Special Title Series

College of Nursing

Wilder, Mary G., Associate Professor (with tenure),
Henderson Community College, joint appointment as
Assistant Professor, effective 1/1/93.

E. RETIREMENTS

College of Allied Health Professions

Hochstrasser, Donald L., Professor (with tenure),
Health Services, after 31.33 consecutive years of
service, under AR II-1.6-1 Section III.B, effective
12/31/92.

College of Medicine

Rosenbaum, Harold D., Clinical Professor (without
tenure), Diagnostic Radiology, after 33.5
consecutive years of service, under AR II-1.6-1
Section III.B, effective 1/8/93.

Sayeg, Joseph A., Associate Professor (with tenure),
Radiation Medicine, after 25.5 consecutive years of
service, under AR II-1.6-1 Section III.B, effective
1/31/93.

Winer, Alfred D., Associate Professor (with tenure),
Biochemistry, after 32.5 consecutive years of
service, under AR II-1.6-1 Section III.B, effective
12/31/92.

Winer, Miroslava N., Professor (with tenure), Anatomy
and Neurobiology, after 32.33 consecutive years of
service, under AR II-1.6-1 Section III.B, effective
12/31/92.

College of Nursing

Gaunder, Beatrice L., Associate Professor* (with
tenure), after 15.5 consecutive years of service,
under AR II-1.6-1 Section III.B, effective 12/31/92.

F. EARLY RETIREMENTS

College of Nursing

Pratt, Mary Alice, Associate Professor* (with tenure),
after 19.5 consecutive years of service, under
AR II-1.6-1 Section III.A.2, effective 12/31/92.

*Special Title Series

II. ADMINISTRATIVE ACTION

A. ACADEMIC APPOINTMENTS

College of Allied Health Professions

Bridges, Patricia H., Instructor (voluntary), Clinical Sciences, 11/16/92 through 6/30/94.
Decker, Glenn J., Instructor (voluntary), Clinical Sciences, 11/16/92 through 6/30/94.
Deschler, Marlene J., Assistant Professor*, Clinical Sciences, 12/1/92 through 6/30/93.
Fischer, Donald I., Instructor (voluntary), Clinical Sciences, 11/16/92 through 6/30/94.
Smith, Thomas W., Assistant Professor (voluntary), Health Services, 9/1/92 through 6/30/94.
Willging, Paul, Assistant Professor (voluntary), Health Services, 9/1/92 through 6/30/94.

College of Medicine

Black, W. Scott, Assistant Professor (voluntary), Family Practice, 10/1/92 through 6/30/94.
Fleming-Phillips, Barbara, Assistant Clinical Professor, Medicine, 11/1/92 through 6/30/93.
Guy, Janet R., Assistant Professor (part-time), Emergency Medicine, 11/1/92 through 6/30/93.
Miller, Jon W., Assistant Professor (voluntary), Emergency Medicine, 10/15/92 through 6/30/94.
Tate, Emmett, Assistant Professor (voluntary), Family Practice, 10/1/92 through 6/30/94.

College of Nursing

Calvert, Paula S., Instructor (part-time), 1/1/93 through 6/30/93.
Cowley, Jennifer, Instructor (part-time), 1/1/93 through 6/30/93.
Crager, Lucinda, Instructor (voluntary), 1/1/93 through 6/30/94.
Hailey, Karen M., Instructor (part-time), 1/1/93 through 6/30/93.

College of Pharmacy

Arikian, Steven R., Assistant Professor (voluntary), 12/1/92 through 6/30/94.

*Special Title Series

B. ADMINISTRATIVE REAPPOINTMENTS

College of Medicine

Traurig, Harold H., Professor (with tenure), named
Acting Chairman, Anatomy and Neurobiology, 1/1/93
through 6/30/93.

C. CHANGES

College of Medicine

Rose, Gregory L., from Clinical Instructor,
Anesthesiology, to Assistant Professor,
Anesthesiology, 1/1/93 through 6/30/93.

Office of the President
January 19, 1993

PR 3A

Members, Board of Trustees:

PROPOSED NEW BACHELOR OF ARTS PROGRAM IN FOREIGN LANGUAGES
AND INTERNATIONAL ECONOMICS

Recommendation: that the Board of Trustees authorize the approval of the new degree program, Bachelor of Arts in Foreign Languages and International Economics, for submission to the Council on Higher Education.

Background: The proposed program combines resources of existing programs already in place at the University of Kentucky: Economics, on the one hand, and various modern languages, on the other. Moreover, it formalizes programmatic trends already apparent in each of the areas.

It conforms with the goals of the College of Arts and Sciences to "use the resources of the Modern Language departments to educate students in the languages, cultures, and socio-political system of the international community and to encourage faculty to utilize their disciplinary expertise in cooperation with businesses and public agencies in areas that will benefit the economic welfare of the Commonwealth."

The proposed program has been reviewed and recommended by the Senate's Academic Programs Committee, Senate Council, and approved by the University Senate.

Approval by the Board of Trustees is required prior to submission to the Council on Higher Education.

Action taken: Approved ☒ Disapproved ☐ Other ☐

Date: January 19, 1993

Office of the President
January 19, 1993

PR 3B

Members, Board of Trustees:

PROPOSED AMENDMENT TO THE
UNIVERSITY OF KENTUCKY
TOBACCO AND HEALTH RESEARCH FOUNDATION, INC.
ARTICLES OF INCORPORATION

Recommendation: that the attached proposed amendment to the Articles of Incorporation of the University of Kentucky Tobacco and Health Research Foundation, Inc., be approved by the University of Kentucky Board of Trustees.

Background: This amendment increases the membership of the Board of Directors of the Tobacco Foundation from ten to twelve members. Pursuant to established policy, approval of the University of Kentucky Board of Trustees is required for amendments to the Articles of Incorporation of affiliated corporations.

Action taken: Approved ☒ Disapproved ☐ Other ☐

Date: January 19, 1993

**PROPOSED REVISION TO THE ARTICLES OF INCORPORATION
OF THE
UNIVERSITY OF KENTUCKY TOBACCO AND HEALTH RESEARCH FOUNDATION**

ARTICLE VIII

The affairs of the corporation shall be regulated, managed, controlled and conducted by a Board of Directors to be appointed by the President of the University of Kentucky, with the approval of the Board of Trustees of the University of Kentucky. The Board shall consist of twelve (12) members elected or appointed as follows:

- (1) The Chairperson of the Kentucky Tobacco Research Board.
- (2) Three (3) representatives elected by the Kentucky Tobacco Research Board. One of these representatives shall be a member of the Kentucky Tobacco Research Board and represent a KTRB constituency not represented by the Chairperson.
- (3) Vice President for Research and Graduate Studies of the University of Kentucky.
- (4) Three (3) University representatives appointed by the President of the University of Kentucky.
- (5) Four (4) public representatives appointed by the President of the University of Kentucky after consultation with the Kentucky Tobacco Research Board.

Each member of the Board, except for the ex-officio members, shall be appointed for one (1) term of four (4) years. The members may succeed themselves for staggered terms of one (1) to four (4) years, as determined by the President, but the members except for those serving ex-officio may not serve for more than two (2) consecutive terms.

Office of the President
January 19, 1993

PR 4 A

Members, Board of Trustees:

CANDIDATES FOR DEGREES--COMMUNITY COLLEGE SYSTEM

Recommendation: that the degrees specified on the attached list be awarded to the persons named, upon certification that the requirements for those degrees have been satisfactorily completed.

- Background: At the November 12, 1965 meeting of the Board of Trustees authorization was given to the awarding of the Degrees of Associate in Arts, Associate in Science and Associate in Applied Science. The candidates on the attached list are recommended to the President and the Board by the Community College Faculty and the Chancellor.

This is an amendment to the action taken by the Board of Trustees at the meeting on December 8, 1992. The candidates on the attached list were inadvertently omitted from the list of candidates for December 1992 degrees.

Action taken: Approved ✓ Disapproved _____ Other _____

Date: January 19, 1993

HENDERSON COMMUNITY COLLEGE

Associate in Applied Science

BANKS DORIS H
BEAUCHAMP VIRGINIA A
BOZARTH PAMELA L
BULLIS CARLA A
CLARK GREGORY L
COOK TERRI S
EZELL TAMARA W
GUINN BRENDA A
HARLEY AGNES M
HEAD BRENDA H
HENRY DOROTHY H
HOPE JEANNIE C
HORTON PAMELA I
MARSCH CATHY A
MARSHALL MELINDA M
MIESCKE SARA S
MILLS CARRIE M
POWERS LISA L
ROBY MARLENE F
TRETTER PAULA S
TROUTMAN BENITA F
UTLEY JULIE A
WALLACE SYLVIA J
WILLIAMS NELDA E
WOODWARD SUSAN B
YOUNG HILDA L

Office of the President
January 19, 1993

PR 6A

Members, Board of Trustees:

APPOINTMENT OF DIRECTOR, UNIVERSITY OF KENTUCKY
LUCILLE PARKER MARKEY CANCER CENTER

Recommendation: that Kenneth A. Foon, M.D., be named Director, Lucille Parker Markey Cancer Center, effective January 1, 1993.

Background: Following the resignation of Dr. Gilbert Friedell, in accordance with the University's Governing Regulations, a search committee was appointed to identify and recommend qualified candidates to the President for the position of Director of the Lucille Parker Markey Cancer Center.

Dr. Foon comes to the University of Kentucky from La Jolla, California, where he was the associate director for clinical research at the Ida M. and Cecil H. Greene Cancer Center, Scripps Clinic and Research Foundation. He was also an adjunct member of the Department of Molecular and Experimental Medicine at the Scripps Research Institute. Previously, Dr. Foon served as chief of clinical immunology, Roswell Park Cancer Institute and Professor of Medicine at State University of New York at Buffalo from 1987 to 1991. From 1985 to 1987 he served as associate chief and director of clinical hematology, division of hematology and oncology, and Associate Professor of Medicine at the University of Michigan.

Dr. Foon received his medical degree with high distinction from Wayne State University in 1972. He completed a fellowship in hematology-oncology at the University of California School of Medicine in Los Angeles in 1980.

Dr. Foon is a diplomate of the National Board of Medical Examiners; the American Board of Internal Medicine; the Subspecialty of Hematology, American Board of Internal Medicine; and the Subspecialty of Medical Oncology, American Board of Internal Medicine. He is a member of numerous professional organizations and has been published extensively in scholarly journals. He currently is the principal investigator on several research projects funded by the National Institutes of Health.

Action taken: Approved ☒ Disapproved _____ Other _____

Date: January 19, 1993

8199

Office of the President
January 19, 1993

FCR 1

Members, Board of Trustees:

ACCEPTANCE OF INTERIM FINANCIAL REPORT FOR THE
UNIVERSITY OF KENTUCKY FOR THE SIX MONTHS ENDED
DECEMBER 31, 1992

Recommendation: that the Board of Trustees accept the University of Kentucky consolidated financial report for the six months ended December 31, 1992.

Background: The consolidated financial report includes the financial activities of the University of Kentucky and its affiliated corporations, consisting of the University of Kentucky Research Foundation, The Fund for Advancement of Education and Research in the University of Kentucky Medical Center, University of Kentucky Athletic Association, University of Kentucky Mining Engineering Foundation, University of Kentucky Business Partnership Foundation, University of Kentucky Humanities Foundation, University of Kentucky Equine Research Foundation, University of Kentucky Center on Aging Foundation, and Health Care Collection Service.

As of December 31, 1992, the University had realized income of \$438,673,000 representing 51% of the 1992-93 estimate of \$852,628,000. Expenditures and commitments total \$421,605,000 or 49% of the approved budget of \$852,628,000.

Action taken: Approved ☒ Disapproved _____ Other _____

Date: January 19, 1993

CONSOLIDATED BALANCE SHEET
UNIVERSITY OF KENTUCKY AND AFFILIATED CORPORATIONS
DECEMBER 31, 1992
with comparative totals for December 31, 1991
(in thousands)

	1992-93					1991-92	
	Current Unrestricted Funds	Current Restricted Funds	Loan Funds	Endowment Funds	Plant Funds	Totals	Totals
ASSETS							
Cash and cash equivalents	\$ 31,689	\$ 28,093	\$ 2,059	\$ 508	\$ 172,618	\$ 235,057	\$ 237,198
Notes, loans, and A/R (less bad debt allowances of \$7,952)	64,094	16,619	17,807		1,865	100,385	92,782
Investments	6,469	51,455		91,945	84,936	234,805	210,750
Property, plant, and equipment					1,020,139	1,020,139	941,835
Inventories and other	13,648	90				13,738	13,598
Total Assets	\$ 115,900	\$ 96,257	\$ 19,866	\$ 92,543	\$ 1,279,558	\$ 1,604,124	\$ 1,495,963
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ 19,201	\$ 846			\$ 292	\$ 20,339	\$ 14,231
Employee withholdings and deposits		11,251				11,251	9,906
Other liabilities	4,800	2,102			5,988	12,890	13,047
Liability for self insurance	21,395					21,395	19,543
Deferred income	9,620	10,612				20,232	17,216
Bonds payable					354,599	354,599	341,620
Capitalized lease obligation					44,828	44,828	49,448
Net deferred revenues and appropriated fund balances	22,036	198				22,234	38,438
Total Liabilities	77,052	25,009			405,707	507,768	503,449
Interfund Balances	(40,415)	44,424			(4,009)		
Fund Balances							
Current Unrestricted							
Working capital	67,414					67,414	59,628
Future operating purposes	9,415					9,415	7,139
Other	2,434					2,434	797
Current Restricted							
Loan		26,824	\$ 19,866			26,824	27,547
True Endowments				\$ 57,702		57,702	49,530
Term Endowments				3,629		3,629	3,509
Quasi Endowments				31,212		31,212	30,150
Plant							
Retirement of Indebtedness					44,119	44,119	42,185
Renewal and Replacement					45,729	45,729	33,582
Allocated for designated projects					32,045	32,045	25,483
Net investment in plant					755,967	755,967	693,715
Total Fund Balances	79,263	26,824	19,866	92,543	877,860	1,096,366	992,514
Total Liabilities and Fund Balances	\$ 115,900	\$ 96,257	\$ 19,866	\$ 92,543	\$ 1,279,558	\$ 1,604,124	\$ 1,495,963

CONSOLIDATED STATEMENT OF CURRENT FUNDS REVENUES AND APPROPRIATED FUND BALANCES
UNIVERSITY OF KENTUCKY AND AFFILIATED CORPORATIONS
FOR THE SIX MONTHS ENDED DECEMBER 31, 1992
with comparative totals for December 31, 1991
(in thousands)

	(A)	(B)	(C)	(D)	(E)	(F)
	1992-93				1991-92	
	ORIGINAL BUDGET	REVISED BUDGET	REALIZED TO DATE	PERCENT REALIZED	REALIZED TO DATE	PERCENT REALIZED
General Fund						
(1) State appropriations	\$ 309,863	\$ 309,863	\$ 155,319	50	\$ 160,894	51
(2) Student fees	92,700	94,439	52,738	56	47,649	55
(3) Federal appropriations	15,001	15,001	7,271	48	7,362	50
(4) County appropriations	5,148	5,347	1,740	33	1,221	24
(5) Endowment income	801	801	312	39	248	32
(6) Investment income	8,266	8,266	2,721	33	3,860	43
Gifts and grants						
(7) Affiliated corporations	6,997	7,956	3,140	39	2,647	38
(8) Other	3,731	3,946	395	10	1,103	27
(9) Sales and services	22,007	23,041	10,910	47	9,074	50
(10) Fund balance	7,220	7,220	7,220	100	9,687	100
(11) Total General Fund	471,734	475,680	241,766	51	243,765	52
(12) Auxiliary Enterprises	36,081	36,116	18,485	51	18,346	50
(13) Restricted Funds	61,638	62,300	29,865	48	27,806	49
(14) Affiliated Corporations	86,988	88,975	49,579	56	43,554	51
Hospital						
(15) Revenues	182,321	189,357	98,978	52	101,534	64
(16) Fund balance					3,020	100
Total Revenues and						
(17) Appropriated Fund Balances	\$ 838,762	\$ 852,628	\$ 438,673	51	\$ 438,025	54

CONSOLIDATED STATEMENT OF CURRENT FUNDS EXPENDITURE SUMMARY BY PROGRAM - ALL FUNDS
UNIVERSITY OF KENTUCKY AND AFFILIATED CORPORATIONS
FOR THE SIX MONTHS ENDED DECEMBER 31, 1992
with comparative totals for December 31, 1991
(in thousands)

	(A)	(B)	(C)	(D)	(E)	(F)
	1992-93				1991-92	
	ORIGINAL BUDGET	REVISED BUDGET	EXPENDED/ ENCUMBERED TO DATE	PERCENT EXP/ ENCUMB	EXPENDED/ ENCUMBERED TO DATE	PERCENT EXP/ ENCUMB
(1) Instruction	\$ 212,185	\$ 212,346	\$ 101,394	48	\$ 97,092	46
(2) Research	88,385	90,803	47,052	52	43,677	48
(3) Public Service	77,749	77,447	34,903	45	34,056	46
(4) Academic Support	50,869	54,263	26,905	50	27,733	52
(5) Student Services	19,752	19,937	10,806	54	11,013	55
(6) Institutional Support	35,005	35,956	16,673	46	18,618	52
(7) Student Financial Aid	45,669	45,930	28,698	62	27,286	71
(8) Operation and Maintenance	39,018	38,347	16,978	44	18,077	45
(9) Mandatory Transfers (Debt Service)	35,984	36,397	27,778	76	22,572	70
(10) Hospital	180,826	187,882	81,463	43	76,642	47
(11) Auxiliary Enterprises	53,320	53,340	28,955	54	28,184	53
(12) Total Expenditure by Program	<u>\$ 838,762</u>	<u>\$ 852,628</u>	<u>\$ 421,605</u>	49	<u>\$ 405,150</u>	50

EXPENDITURE SUMMARY BY CATEGORY OF EXPENDITURE
UNIVERSITY OF KENTUCKY AND AFFILIATED CORPORATIONS
FOR THE SIX MONTHS ENDED DECEMBER 31, 1992
with comparative totals for December 31, 1991
(in thousands)

	(A)	(B)	(C)	(D)	(E)	(F)
	1992-93				1991-92	
	ORIGINAL BUDGET	REVISED BUDGET	EXPENDED/ ENCUMBERED TO DATE	PERCENT EXP/ ENCUMB	EXPENDED/ ENCUMBERED TO DATE	PERCENT EXP/ ENCUMB
(13) Personnel Costs	\$ 483,117	\$ 484,711	\$ 243,312	50	\$ 232,251	50
(14) Operating Expenses	285,618	297,636	136,449	45	133,955	50
(15) Mandatory Transfers (Debt Service)	40,959	41,372	30,428	74	25,239	67
(16) Capital Outlay	29,068	28,709	12,416	43	13,705	35
(17) Total Expenditure by Category	<u>\$ 838,762</u>	<u>\$ 852,628</u>	<u>\$ 421,605</u>	49	<u>\$ 405,150</u>	50

CONSOLIDATED SUMMARY OF NET DEFERRED REVENUES AND APPROPRIATED FUND BALANCES
UNIVERSITY OF KENTUCKY AND AFFILIATED CORPORATIONS
FOR THE SIX MONTHS ENDED DECEMBER 31, 1992
with comparative totals for December 31, 1991
(in thousands)

	(A)	(B)	(C)
	<u>1992-93</u>		<u>1991-92</u>
(1) Realized Revenues		\$ 431,453	\$ 425,318
Appropriated Fund Balances			
(2) Current unrestricted fund	\$ 7,220		9,687
(3) University Hospital			<u>3,020</u>
(4) Total Appropriated Fund Balances		<u>7,220</u>	<u>12,707</u>
(5) Total Revenues and Appropriated Fund Balances		438,673	438,025
(6) Expenditures/Encumbrances	421,605		405,150
(7) Less: Reserve for Encumbrances	<u>(5,166)</u>		<u>(5,563)</u>
(8) Total Expenditures		<u>416,439</u>	<u>399,587</u>
(9) Net Deferred Revenues and Appropriated Fund Balances		<u>\$ 22,234</u>	<u>\$ 38,438</u>

Office of the President
January 19, 1993

FCR 2

Members, Board of Trustees:

CAPITAL CONSTRUCTION REPORT

Recommendation: that the capital construction report for the three months ending December 31, 1992, be accepted.

Background: Under House Bill 622 enacted in the 1982 session of the Kentucky General Assembly, the University is authorized to enter into architectural, engineering, and related consultant contracts for the purpose of accomplishing capital construction at the University of Kentucky.

The report shows that during the three months ending December 31, 1992, the University has:

1. Awarded nine (9) architect and engineer contracts.
2. Made thirteen (13) amendments to architect and engineer contracts.
3. Made ten (10) final payments for architect and engineer contracts.
4. Awarded twenty (20) construction contracts.
5. Made eighty-two (82) change orders to construction contracts.
6. Made twenty-six (26) final payments for construction contracts.

Action taken: Approved ✓ Disapproved _____ Other _____

Date: January 19, 1993

I. ARCHITECT & ENGINEER CONTRACTS

ARCHITECT & ENGINEER	PROJECT	PROJECT SCOPE	ARCHITECT & ENGINEER FEES	EFFECTIVE CONTRACT DATE
CHRISMAN-MILLER-WOODFORD LEXINGTON	PER DIEM CONSULTANT ARCHITECTURAL SERVICES	N/A	\$ 50,000	07/31/92
FULLER-MOSSBARGER- SCOTT & MAY LEXINGTON	PER DIEM CONSULTANT GEOTECHNICAL SERVICES	N/A	\$ 75,000	07/31/92
WHITE-WALKER & MCREYNOLDS LEXINGTON	PER DIEM CONSULTANT STRUCTURAL ENGINEERING SERVICES	N/A	\$ 50,000	07/31/92
MCCOY & MCCOY, INC. LEXINGTON	PER DIEM CONSULTANT ENVIRONMENTAL SERVICES	N/A	\$ 175,000	07/21/92
FULLER, MOSSBARGER SCOTT & MAY LEXINGTON	PER DIEM CONSULTANT GEOTECHNICAL EXPLORATION	N/A	\$ 36,426	10/14/92
PARROTT, ELY & HURT LEXINGTON	PER DIEM CONSULTANT SPECIAL CONSULTING SERVICES COLDSTREAM FARM DEVELOPMENT	N/A	\$ 127,856	10/14/92
PARROTT, ELY & HURT LEXINGTON	PER DIEM CONSULTANT PROJECTS REPORT COLDSTREAM FARM DEVELOPMENT	N/A	\$ 32,347	10/14/92
SHERMAN, CARTER, BARNHART LEXINGTON	FIELD HOUSE Project No. 147.0	\$ 8,500,000	\$ 349,090	07/31/90
Previous Amendments #1-4			+ 79,899	
Amendment #5	Change wording in "resident inspector" portion of original contract.		0	11/30/92
Reason for Amendment: To allow for extended resident inspector services to be paid as a reimbursable service not to be encumbered under the contract.				
Consultant's Fee To Date:			\$ 428,989	
OMNI/CMW JOINT VENTURE LEXINGTON	HOSPITAL EXPANSION/ RENOVATION-PHASE II Project No. 304.0	\$ 50,000,000	\$ 2,100,000	06/28/85
Previous Amendments #1-12			+ 1,842,829	

I. ARCHITECT & ENGINEER CONTRACTS

ARCHITECT & ENGINEER	PROJECT	PROJECT SCOPE	ARCHITECT & ENGINEER FEES	EFFECTIVE CONTRACT DATE
OMNI/CMW JOINT VENTURE LEXINGTON	HOSPITAL EXPANSION/ RENOVATION-PHASE II Project No. 304.0			CONTINUED
Amendment #13	Removal of unused services.		- 46,500	11/18/92
Reason for Amendment:	To remove the encumbrance for reimbursable expenses not utilized under the contract.			
CONSULTANT'S FINAL PAYMENT			\$ 3,896,329	12/04/92
STAGGS & FISHER LEXINGTON	HOSPITAL-WASTE INCINERATOR REPLACEMENT Project No. 337.0	\$ 1,453,600	\$ 64,650	08/31/89
Previous Amendment #1-2			+ 82,889	
Consultant's Fee To Date:			\$ 147,539	
ELLERBE BECKET, INC. MINNEAPOLIS, MN	SANDERS BROWN CENTER ON AGING PLANNING Project No. 405.0	\$ 600,000	\$ 542,490	07/31/92
ARRASMITH, JUDD, RAPP, INC. LOUISVILLE	PRESTONSBURG C.C. TECHNICAL/LRC & MAGOFFIN LOADING DOCK CANOPY Project No. 471.0/678.0	\$ 2,900,000	\$ 134,488	08/29/86
Previous Amendments # 1-4			+ 25,137	
CONSULTANT'S FINAL PAYMENT			\$ 159,625	11/06/92
BIAGI, CHANCE, CUMMINS LONDON, TITZER INC. SHELBYVILLE	HOSPITAL/MEDICAL CENTER FIRE SUPPRESSION Project No. 542.0	\$ 1,500,000	\$ 52,919	07/29/88
Previous Amendments #1-2			+ 91,251	
Amendment #3	Additional Services		+ 4,134	10/13/92
Reason for Amendment	Additional design work required. Revision of bid documents to reflect the inclusion of the additional area. Cost estimation for the additional area and construction observation.			
Consultant's Fee To Date:			\$ 148,304	

I. ARCHITECT & ENGINEER CONTRACTS

ARCHITECT & ENGINEER	PROJECT	PROJECT SCOPE	ARCHITECT & ENGINEER FEES	EFFECTIVE CONTRACT DATE
SHERMAN/CARTER/BARNHART LEXINGTON	BUSINESS AND ECONOMICS BUILDING RENOVATION Project Nos. 587.0/775.0	\$ 11,793,250	\$ 425,000	01/31/89
Previous Amendments #1- 4			+ 346,650	
CONSULTANT'S FINAL PAYMENT			\$ 771,650	10/12/92
FULLER,MOSSBARGER, SCOTT AND MAY LEXINGTON	SOMERSET C.C. ECONOMIC DEVELOPMENT/ CULTURAL CENTER Project No. 631.0	\$ 11,730,000	\$ 35,490	11/30/92
FULLER,MOSSBARGER,SCOTT & MAY CIVIL ENGINEERS LEXINGTON	ASTECC FACILITY & CIVIL ENGINEERING BLDG. Project Nos. 640.1/640.2/746.0	\$ 20,410,000	\$ 19,928	04/30/92
Amendment #1	Additional Services		+ 25,980	07/31/92
Reason for Amendment:	To include additional testing,analysis and inspection services.			
Consultant's Fee To Date:			\$ 45,908	
BICKEL-GIBSON ARCHITECTS LOUISVILLE	ASTeCC PHASE I Project No. 640.1	\$ 4,438,000	\$ 240,000	12/21/90
Previous Amendment #1			+ 4,500	
Consultant's Fee To Date:			\$ 244,500	
BICKEL-GIBSON ARCHITECTS LOUISVILLE	ASTeCC PHASE II Project No. 640.2	\$ 4,438,000	\$ 243,872	06/28/91
Previous Amendment #1 - 2			+ 10,530	
Consultant's Fee To Date:			\$ 254,402	
BICKEL-GIBSON ARCHITECTS LOUISVILLE	ASTeCC PHASE III Project No. 640.3	\$ 4,499,000	\$ 183,673	06/29/92

I. ARCHITECT & ENGINEER CONTRACTS

ARCHITECT & ENGINEER	PROJECT	PROJECT SCOPE	ARCHITECT & ENGINEER FEES	EFFECTIVE CONTRACT DATE
STAGGS & FISHER ENGINEERS LEXINGTON	MEDICAL CENTER UPGRADE FUME HOODS Project No. 644.0	\$ 1,200,000*	\$ 49,000	06/21/89
Previous Amendment #1			+ 490,345*	
Consultant's Fee To Date:			\$ 539,345	
*Amendment #1	Includes consulting fees for \$6 million Project 745.8 for total scope for design purposes of \$7.2 million.			
JERRY A. TAYLOR & ASSOC. LEXINGTON	AGRICULTURAL NORTH & SOUTH FUME HOODS Project No. 644.2/745.2/745.3	\$ 4,283,510	\$ 55,210	09/29/89
Previous Amendment #1			+ 197,000	
Amendment #2	Additional Services		+ 67,795	07/31/92
Reason for Amendment	For additional services due to the increase in construction budget, redesign of exhaust stack configuration and air monitoring for asbestos removal.			
Consultant's Fee To Date:			\$ 320,005	
MASON & HANGER LEXINGTON	COOLING PLANT #2 EXPANSION Project No. 666.0	\$ 13,750,000	\$ 428,446	12/22/89
Previous Amendments #1-3			+ 223,418	
Amendment #4	Additional Services		+ 83,241	08/06/92
Reason for Amendment	To include design documents for an additional 5,000 ton chiller and to include design and documents for an alternate bid of two 4,000 ton chillers.			
Amendment #5	Additional Services		+ 104,322	10/14/92
Reason for Amendment	The additional fee includes adding various piping and reimbursement to James Evans & Associates, landscape consultant, and ZBA, chilled water consultant.			
Consultant's Fee To Date:			\$ 839,427	

I. ARCHITECT & ENGINEER CONTRACTS

ARCHITECT & ENGINEER	PROJECT	PROJECT SCOPE	ARCHITECT& ENGINEER FEES	EFFECTIVE CONTRACT DATE
OMNI ARCHITECTS LEXINGTON	FINE ARTS BUILDING RENOVATION Project No. 681.0	\$ 2,248,000	\$ 65,652	12/22/89
	Previous Amendments #1-5		+ 194,720	
	Amendment #6	Additional Services	+ 1,500	08/31/92
	Reason for Amendment	Services needed to cover sound testing for music rooms.		
	CONSULTANT'S FINAL PAYMENT		\$ 261,872	12/08/92
POTTS + POTTS ARCHITECTS LEXINGTON	PATTERSON OFFICE TOWER ELEVATOR RENOVATION Project No. 683.0	\$ 311,000	\$ 26,615	08/27/90
	Previous Amendment #1		+ 10,780	
	Consultant's Fee To Date:		\$ 37,395	
OMEGA ARCHITECTS, INC. LEXINGTON	MEDICAL CENTER-NURSING BUILDING WINDOW MODIFICATIONS Project No. 692.0	\$ 131,972	\$ 7,530	09/28/90
	CONSULTANT'S FINAL PAYMENT		\$ 7,530	12/04/92
DRIES & ASSOCIATES LEXINGTON	SPORTS TICKET OFFICE Project No. 702.0	\$ 182,700	\$ 5,150	07/31/90
	CONSULTANT'S FINAL PAYMENT		\$ 5,150	10/08/92
COLLIGNON & NUNLEY OWENSBORO	HENDERSON C.C. ACADEMIC/TECHNICAL BUILDING Project No. 722.0	\$ 4,000,000	\$ 178,000	12/21/90
	Previous Amendment #1-2		\$ 32,000	01/31/92
	Consultant's Fee To Date:		\$ 210,000	

I. ARCHITECT & ENGINEER CONTRACTS

ARCHITECT & ENGINEER	PROJECT	PROJECT SCOPE	ARCHITECT & ENGINEER FEES	EFFECTIVE CONTRACT DATE
COLLIGNON & NUNLEY OWENSBORO	HENDERSON C.C. AUDITORIUM/FINE ARTS BUILDING Project No. 723.0	\$ 6,260,000	\$ 307,000	12/21/90
	Previous Amendments #1-2		+ 36,000	
	Consultant's Fee To Date:		\$ 343,000	
COLLIGNON & NUNLEY OWENSBORO	MADISONVILLE C.C. ADMINISTRATION/ACADEMIC BUILDING REPAIRS Project No. 724.2	\$ 532,464	\$ 37,500	05/29/92
OMNI ARCHITECTS LEXINGTON	OWENSBORO C.C. CAMPUS COMPLETION Project No. 725.0	\$ 4,500,000	\$ 197,344	09/28/90
	Previous Amendment #1-2		+ 42,594	
	Consultant's Fee To Date:		\$ 239,938	
JOHNSON, DEPP & QUISENBERRY OWENSBORO	OWENSBORO C.C. ROADWAY COMPLETION Project No. 725.2	\$ 99,640	\$ 8,400	11/30/92
CLOTTFELTER AND ASSOCIATES LEXINGTON	MAYSVILLE COMM. COLLEGE STUDENT CENTER Project No. 727.0	\$ 4,000,000	\$ 185,500	01/31/91
	Previous Amendment #1		+ 35,065	
	Consultant's Fee To Date:		\$ 220,565	
RICHARDSON ASSOCIATES WHITESBURG	SOUTHEAST C.C. APPALACHIAN CENTER/ FINE ARTS BUILDING Project No. 728.0	\$ 5,000,000	\$ 269,400	11/30/90
	Previous Amendment #1		+ 50,400	
	Amendment #2 Additional Services.		+ 1,900	08/31/92
	Reason for Amendment:	To reimburse the consultant for worker's compensation insurance for the resident inspector for 18 months of service		

I. ARCHITECT & ENGINEER CONTRACTS

ARCHITECT & ENGINEER	PROJECT	PROJECT SCOPE	ARCHITECT & ENGINEER FEES	EFFECTIVE CONTRACT DATE
RICHARDSON ASSOCIATES WHITESBURG	SOUTHEAST C.C. APPALACHIAN CENTER/ FINE ARTS BUILDING Project No. 728.0			CONTINUED
Consultant's Fee To Date:			\$ 321,700	
ROSS FELDMAN ARCHITECTURE LEXINGTON	LEXINGTON COMM COLLEGE ACADEMIC/TECHNICAL BLDG. Project No. 729.0	\$ 4,800,000	\$ 200,000	12/21/90
Previous Amendment #1-2			+ 27,008	
Consultant's Fee To Date:			\$ 227,008	
JOHNSON/ROMANOWITZ LEXINGTON	BELL COUNTY CAMPUS SOUTHEAST C.C./KENTUCKY TECH Project No. 730.0	\$ 9,891,400	\$ 448,503	03/31/92
KOVERT, HAWKINS, ARMSTRONG LOUISVILLE	JEFFERSON C.C., SW ACADEMIC BUILDING Project No. 731.0	\$ 3,000,000	\$ 133,906	11/30/90
Previous Amendments #1-2			+ 32,780	
Consultant's Fee To Date:			\$ 166,686	
PRESNELL ASSOCIATES, INC. LOUISVILLE	JEFFERSON C.C. PLAZA AND PARKING LOT Project No. 731.1	\$ 263,255	\$ 21,500	08/06/92
JOHNSON/ROMANOWITZ LEXINGTON	CHEMISTRY/PHYSICS BUILDING RENOVATION Project No. 732.0	\$ 2,000,000	\$ 93,500	10/31/90
Previous Amendment #1-2			+ 159,611	
Consultant's Fee To Date:			\$ 253,111	
POTTS + POTTS ARCHITECTS LEXINGTON	ANDERSON TOWER FIRE SPRINKLERS Project No. 742.0	\$ 298,000	\$ 5,030	10/31/90
Previous Amendment #1-2			+ 40,730	
CONSULTANT'S FINAL PAYMENT			\$ 45,760	12/08/92

I. ARCHITECT & ENGINEER CONTRACTS

ARCHITECT & ENGINEER	PROJECT	PROJECT SCOPE	ARCHITECT & ENGINEER FEES	EFFECTIVE CONTRACT DATE
POTTS + POTTS ARCHITECTS LEXINGTON	FUNKHOUSER FIRE SPRINKLERS Project No. 743.0	\$ 322,000	\$ 4,970	10/31/90
	Previous Amendment #1-2		+ 43,225	
	Consultant's Fee To Date:		\$ 48,195	
POTTS + POTTS ARCHITECTS LEXINGTON	AGRICULTURAL SCIENCES #2 FIRE SPRINKLERS Project No. 744.0	\$ 470,000	\$ 6,650	10/31/90
	Previous Amendment #1-2		+ 53,230	
	Consultant's Fee To Date:		\$ 59,880	
JERRY A. TAYLOR & ASSOC. LEXINGTON	CHEMISTRY/PHYSICS FUME HOOD MODERNIZATION Project No. 745.1	\$ 3,180,150	\$ 39,000	04/30/91
	Previous Amendment #1-2		+ 197,100	
	Consultant's Fee To Date:		\$ 236,100	
HOWARD K. BELL CONSULTING ENGINEERS, INC. LEXINGTON	MEDICAL SCIENCE/DENTAL WINGS ROOF ASBESTOS ABATEMENT Project No. 745.81	\$ 106,826	\$ 9,657	09/30/92
CHRISMAN, MILLER, WOODFORD LEXINGTON	MEDICAL RESEARCH EXPANSION SPACE Project No. 747.0	\$ 19,500,000	\$ 1,163,862	01/31/91
	Amendment #1	Additional Services	+ 107,634	10/30/92
	Reason for Amendment	To cover additional fees for planning, selection, specification and documentation of the fixed equipment for this project. The services were added to the construction scope after negotiation for fees of the original contract.		
	Consultant's Fee To Date:		\$ 1,271,496	

I. ARCHITECT & ENGINEER CONTRACTS

ARCHITECT & ENGINEER	PROJECT	PROJECT SCOPE	ARCHITECT & ENGINEER FEES	EFFECTIVE CONTRACT DATE
EO ASSOCIATES ARCHITECTS LEXINGTON	ANIMAL DIAGNOSTIC FACILITY Project No. 748.0	\$ 3,815,000	\$ 198,000	12/21/90
Previous Amendment #1			+ 32,987	03/31/92
Amendment #2	Reimbursement to consultant		+ 41,895	10/30/92
Reason for Amendment	To reimburse consultant for resident inspector fees for fifteen (15) months.			
Consultant's Fee To Date:			\$ 272,882	
OMNI ARCHITECTS LEXINGTON	HOSPITAL-SHELLED SPACE FIT-UP Project No. 762.0	\$ 5,400,000	\$ 352,497	02/28/91
Previous Amendment #1			+ 13,818	01/6/92
Consultant's Fee To Date:			\$ 366,315	
TATE/FITZSIMONS ARCHITECTS LEXINGTON	DENTAL CLINIC RENOVATION PHASE I Project No. 766.0	\$ 400,000	\$ 28,860	07/31/91
Previous Amendment#1			+ 970	
CONSULTANT'S FINAL PAYMENT			\$ 29,830	11/11/92
BIAGI, CHANCE, CUMMINS, LONDON, TITZER, INC. SHELBYVILLE	HOSPITAL NURSING UNIT MODIFICATION Project No. 777.0	\$ 500,000	\$ 34,762	07/31/91
WILBUR SMITH ASSOCIATES LEXINGTON	ELIZABETHTOWN C.C. ACCESS DRIVE/HANDICAP PARKING Project No. 779.0	\$ 99,000	\$ 9,500	06/29/92
McCULLOCH SMITH ARCHITECTS LOUISVILLE	PADUCAH C.C. WALLER HALL RENOVATION Project No. 785.0	\$ 250,000	\$ 10,455	01/06/92
Previous Amendment#1			+ 13,230	
Consultant's Fee To Date:			\$ 23,685	

I. ARCHITECT & ENGINEER CONTRACTS

ARCHITECT & ENGINEER	PROJECT	PROJECT SCOPE	ARCHITECT & ENGINEER FEES	EFFECTIVE CONTRACT DATE
DCT DESIGN GROUP LTD. LEXINGTON	AMBULATORY SURGERY UPGRADE Project No. 798.0	\$ 1,300,000	\$ 97,000	04/30/92
BUELL-FRYER ASSOC. LEXINGTON	PADUCAH C.C. T.V. STUDIO SETTLEMENT STUDY Project No. 802.0	\$ 7,500	\$ 4,750	07/31/92
CONSULTANT'S FINAL PAYMENT			\$ 4,750	10/07/92
HOWARD K. BELL CONSULTING ENGINEERS, INC. LEXINGTON	BOYD HALL ELECTRIC AND LIGHTING Project No. 887.0	\$ 165,000	\$ 10,850	04/30/92
CONSULTANT'S FINAL PAYMENT			\$ 10,850	11/13/92
BIAGI, CHANCE, CUMMINS LONDON, TITZER, INC. SHELBYVILLE	JEWELL HALL FIRE ALARM Project No. 888.0	\$ 95,000	\$ 7,347	04/30/92
BIAGI, CHANCE, CUMMINS LONDON, TITZER, INC. SHELBYVILLE	HOLMES HALL FIRE ALARM Project No. 889.0	\$ 180,000	\$ 13,613	04/30/92
POTTS AND POTTS ARCHITECTS LEXINGTON	ASHLAND COMM. COLLEGE CLASSROOM RENOVATION Project No. 891.0	\$ 250,000	\$ 18,700	05/29/92
PARROTT, ELY & HURT LEXINGTON	COLDSTREAM FARM CIVIL ENGINEERING PHASE I Project No. 894.0	\$ 1,225,300	\$ 235,764	11/18/92
KOVERT, HAWKINS, ARMSTRONG LOUISVILLE	HOSPITAL NURSING MODIFICATION III Project No. 896.0	\$ 341,000	\$ 15,000	06/29/92
WHITE, WALKER, MCREYNOLDS LEXINGTON	PARKING STRUCTURE #2 STRUCTURAL INVESTIGATION Project No. 898.0	\$ 195,000	\$ 4,943	06/29/92
Amendment #1	Additional Services		+ 8,110	11/30/92

I. ARCHITECT & ENGINEER CONTRACTS

ARCHITECT & ENGINEER	PROJECT	PROJECT SCOPE	ARCHITECT & ENGINEER FEES	EFFECTIVE CONTRACT DATE
WHITE, WALKER, MCREYNOLDS LEXINGTON	PARKING STRUCTURE #2 STRUCTURAL INVESTIGATION Project No. 898.0			CONTINUED
Reason for Amendment:		To allow for complete structural engineering services to develop plans and specifications and for construction observation.		
Consultant's Fee To Date			\$ 13,053	
PRESTON ASSOCIATES LOUISVILLE	HOSPITAL DIAGNOSTIC SERVICES II Project No. 899.0	\$ 120,000	\$ 11,000	06/29/92
PEARSON+BENDER+JOLLY LEXINGTON	MARKEY CANCER CENTER ROACH PATIENT CARE FACILITY Project No. 1410.0	\$ 500,000	\$ 38,113	05/29/92
QUEST ENGINEERS, INC. LEXINGTON	HOSPITAL ELECTRICAL SYSTEM FEASIBILITY STUDY Project No. 1413.0	\$ 20,000	\$ 16,090	08/31/92
MORGAN C. MCILWAIN, ASLA LEXINGTON	PADUCAH C.C. PARKING LOT Project No. 1415.0	\$ 165,000	\$ 15,613	07/14/92
QUEST ENGINEERS, INC. LEXINGTON	MADISONVILLE C.C. AUDITORIUM PARKING LOT Project No. 1419.0	\$ 520,000	\$ 40,766	10/14/92
K. NORMAN BERRY ASSOC. LOUISVILLE	JEFFERSON C.C. FINE ARTS CENTER RENOVATION PHASE I Project No. 1420.0	\$ 195,000	\$ 14,800	11/11/92
ASSOCIATED DESIGNERS LEXINGTON	ALUMNI GYM FLOOR RENOVATION Project No. 1426.0	\$ 182,000	\$ 14,425	10/14/92
KALLMANN MCKINNELL & WOOD BOSTON, MA	CENTRAL AND LIFE SCIENCES LIBRARY Project No. 1432.0	\$ 58,000,000	\$4,365,027	08/21/92

I. ARCHITECT & ENGINEER CONTRACTS

<u>ARCHITECT & ENGINEER</u>	<u>PROJECT</u>	<u>PROJECT SCOPE</u>	<u>ARCHITECT& ENGINEER FEES</u>	<u>EFFECTIVE CONTRACT DATE</u>
HARDY HOLZMAN PFEIFFER ASSOCIATES NEW YORK, NY	CLIFTON CIRCLE PLANNING STUDY Project No. 1445.0	\$ 150,000	\$ 150,000	09/15/92

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
PREMIUM DOOR SERVICE, INC. LEXINGTON	MINES AND MINERAL BUILDING- HANDICAPPED DOOR OPERATORS Project No. 115.11	\$ 1,816	08/25/92	1	\$ 1,816.00
C.E. PENNINGTON CO. LEXINGTON	FIELD HOUSE Project No. 147.0	\$6,772,000- 7,240,000	10/29/91	4	\$ 6,772,000.00
Previous Change Orders # 1-6					+ 33,389.00
CHANGE ORDER #7	Provide labor and materials to install twelve (12) rough-in electrical boxes, including with conduit to electrical panel for future duplex outlets, in existing CMU walls.		11/16/92		+ 1,478.19
Reason for Change:	In order to facilitate the fit-up of the gymnastics area, conduit is to be installed under slab and electrical boxes recessed into CMU walls.				
CHANGE ORDER #8	1. Change the ceiling height in Managers Office from 8'-0", as indicated in the room schedule to 12'-0". 2. In Taping Room, add a metal stud and drywall bulkhead, as indicated on sketches, in order to raise part of the ceiling up to 12'-0". 3. Substitute clear tempered glass for spandrel glass indicated for hollow metal frame Type "J".		11/16/92		+ 1,600.00
Reason for Change:	1-3. Change is necessary to eliminate spandrel glass in the practice field area to improve the safety of the area. The new ceiling height for the managers office at 12' AFF will match the height of the lobby.				
CHANGE ORDER #9	Change is necessary for extra rock excavation, test holes and steel work required to provide suitable bearing for concrete footings.		11/18/92		+ 7,042.00
Reason for Change:	Change was required to provide suitable bearing for structural concrete footings.				
CHANGE ORDER #10	1. Change all batting cages to 3/4" netting. Provide a solid vinyl piece on each end of batting cages in a dark green color. 2. Make center divider 3/4" netting except lower 10' which would be white archery style material to provide visual block between halves of field. 3. Make southwest and southeast netting 3/4".		12/02/92		+ 25,684.00

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
C.E. PENNINGTON CO. LEXINGTON	FIELD HOUSE Project No. 147.0				CONTINUED
Reason for Change:	1-3. These changes will allow safer use and greater multiple utilization of the facility.				
Contractor's Revised Contract Amount To Date:					\$ 6,841,193.19
E.C. MATTHEWS CO., INC. LEXINGTON	FIELD HOUSE/LEXINGTON CC UNDERGROUND DUCT BANK Project No. 147.4/729.3	\$24,420- 33,704	07/17/92	2	\$ 24,420.00
Previous Amendments #1-2					+ 5,267.90
CONTRACTOR'S FINAL PAYMENT			10/07/92		\$ 29,687.90
ALLIED BUILDERS, INC. INDEPENDENCE	GAINES CTR FOR HUMANITIES Project No. 218.2	\$438,000- 533,769	10/29/91	8	\$ 438,000.00
Previous Change Orders #1-8					+ 3,140.44
CHANGE ORDER #9	Provide two electrical receptacles for owner furnished microwaves, and one additional emergency light fixture over rear door.		10/07/92		+ 564.95
Reason for Change:	Using agency changed kitchen appliances from previously planned and already installed utility connections. Emergency light required over exterior side of rear door by state inspector.				
Contractor's Revised Contract Amount To Date:					\$ 441,705.39
MATTHEWS/BUCKNER LEXINGTON	HOSPITAL EXPANSION PH. II MECHANICAL WORK-TC #9 Project No. 304.1	\$5,248,000- 5,482,000	06/28/88	2	\$ 5,248,000.00
Previous Change Orders #1-17					+ 471,238.88
Contractor's Revised Contract Amount To Date:					\$ 5,719,238.88
ARROW ELECTRIC CO., INC. LEXINGTON	HOSPITAL EXPANSION - PHASE II Project No. 304.9	\$797,000 - 1,114,900	03/07/90	4	\$ 797,000.00
Previous Change Orders #1 - 3					+ 26,520.00
CONTRACTOR'S FINAL PAYMENT			11/27/92		\$ 823,520.00

II. CONSTRUCTION CONTRACTS

<u>CONTRACTOR</u>	<u>PROJECT</u>	<u>BID RANGE</u>	<u>AWARD DATE</u>	<u>NO. OF BIDDERS</u>	<u>CONTRACT PRICE</u>
SPARKS-TERRELL LUMBER CO. LEXINGTON	HOSPITAL - WASTE INCINERATOR REPL Project No. 337.0	\$1,151,515- 1,410,000	05/07/92	4	\$ 1,151,515.00
E.C. MATTHEWS CO., INC. LEXINGTON	ROBOTICS FACILITY PAVER SHIMS REPLACEMENT Project No. 431.7	\$17,364	08/25/92	1	\$ 17,364.00
CONTRACTOR'S FINAL PAYMENT			10/07/92		\$ 17,364.00
BILL'S ELECTRIC CO. LEXINGTON	AGRICULTURE ENGINEERING PARKING LOT LIGHTING Project No. 475.4	\$ 7,964- 11,500	10/26/92	5	\$ 7,964.62
DALMATION FIRE, INC. MASON, OH	HOSPITAL FIRE SUPPRESSION FLOORS 5 & 6 Project No. 542.4	\$213,950- 269,458	06/05/91	6	\$ 213,950.00
CHANGE ORDER #1	Sprinklers added to Basement Zone-8, Zone-10, Fourth Floor ICU, in accordance with original specifications.		10/15/92		+ 3,429.00
Reason for Change:	Additional areas were added to this project to pick up various Hospital areas not currently sprinkled. Areas omitted on plans that are required by Code. These spaces were not shown on as built.				
Contractor's Revised Contract Amount To Date:					\$ 217,379.00
ECKERT FIRE PROTECTION CINCINNATI, OH	HOSPITAL/MEDICAL CENTER SPRINKLERS - FLOORS 7&8 Project No. 542.5	\$234,500- 276,600	08/29/91	6	\$ 234,500.00
KORFHAGE LANDSCAPE & DESIGN LOUISVILLE	BUSINESS & ECONOMICS BLDG. LANDSCAPING Project No. 587.3	\$53,220- 89,780	09/18/91	7	\$ 53,220.00
Previous Change Order #1					+ 9,758.00
Contractor's Revised Contract Amount To Date:					\$ 62,978.00

II. CONSTRUCTION CONTRACTS

<u>CONTRACTOR</u>	<u>PROJECT</u>	<u>BID RANGE</u>	<u>AWARD DATE</u>	<u>NO. OF BIDDERS</u>	<u>CONTRACT PRICE</u>
THE R.H. JENKINS CO. ERLANGER	MEDICAL CENTER HEATING PLANT- BOILER CONTROLS Project No. 616.0	\$324,900- 628,450	10/25/90	2	\$ 324,900.00
Previous Change Order #1					+ 3,785.72
Contractor's Revised Contract Amount To Date:					\$328,685.72
VOCON, INC. HUNTINGTON, WV	ASHLAND COMM. COLLEGE ACADEMIC/LRC Project No. 630.0	\$3,396,319- 3,529,000	04/17/90	3	\$ 3,396,319.00
Previous Change Orders #1 - 8					+ 60,061.83
Contractor's Revised Contract Amount To Date:					\$ 3,456,380.83
RAM ENGINEERING & CONST.* LOUISVILLE	CIVIL ENGINEERING BUILDING/ ASTECC PHASES I & II WORK CATEGORY #1 - GENERAL EXCAVATION WORK Project Nos. 640.1/640.2/746.2	\$847,425- 944,500	10/29/91	3	\$ 847,425.00
Previous Change Orders #1- 13					+ 131,748.00
Contractor's Revised Contract Amount To Date:					\$ 979,173.00
FINNEY COMPANY, INC.* LEXINGTON	CIVIL ENGINEERING BUILDING/ ASTECC PHASES I & II WORK CATEGORY #2 - MECHANICAL WORK Project No. 640.1/640.2/746.2	\$377,000- 454,649	10/29/91	3	\$ 377,000.00
Previous Change Orders #1- 6					+ 15,535.00
CHANGE ORDER #7	Repair various water lines in two locations that were uncharted, incorrectly charted, or failed due to conditions beyond the contractor's control.		10/16/92		+ 842.00
Reason for Change:		Unknown/Undocumented conditions.			
CHANGE ORDER #8	Repair water line serving Anderson Hall that was sheared due to settlement. Line was backfilled, when installed originally, with large rocks under it. Also, cap on the portion of the line left in place was broken and had to be reinstalled just past the vault.		10/23/92		+ 1,131.00

*This contract is for three (3) interrelated and concurrent projects and represents the low bid.

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
FINNEY COMPANY, INC.* LEXINGTON	CIVIL ENGINEERING BUILDING/ ASTECC PHASES I & II WORK CATEGORY #2 - MECHANICAL WORK Project No. 640.1/640.2/746.2				CONTINUED
Reason for Change:	Unknown/Undocumented condition.				
Contractor's Revised Contract Amount To Date:					\$ 394,508.00
AMTECK OF KENTUCKY* LEXINGTON	CIVIL ENGINEERING BUILDING/ ASTECC PHASES I & II WORK CATEGORY #3- ELECTRICAL WORK Project No. 640.1/640.2/746.2	\$137,800- 179,000	10/29/91	4	\$ 137,800.00
Previous Change Order #1-5					+ 12,929.00
Contractor's Revised Contract Amount To Date:					\$ 150,729.00
CONGLETON & HACKER CO. LEXINGTON	ASTECC PHASES I & II - WORK CATEGORY #1 GENERAL WORK-BID PACK #3 Project No. 640.13/640.23	\$1,556,970- 2,600,000	03/23/92	4	\$ 1,556,970.00
Previous Change Order #1					+ 1,048.00
CHANGE ORDER#2	Revise the concrete finish on the pans as follows: Use metal forms, delete fiberglass on 2nd and 3rd levels. All forms to be straight and true. Remove all protrusions flush with surface, fill all voids. Grout clean. No fiberglass forms left in job.		10/13/92		- 22,950.00
Reason for Change:	Acoustical ceilings were implemented in Bid Package #3-eliminating the requirement for exposed finish on concrete pan joists.				
CHANGE ORDER #3	Delete the concrete wall along column line 14. Deduct should include; wall labor and materials, backfilling, insulation and drainage board, etc..		10/13/92		- 22,218.00
Reason for Change:	Cut costs of the project for use of the funds in later bid packages.				
CHANGE ORDER #4	Revise the foundation and tunnel walls along column line A up to the first level from the footing. These revisions include cutting the size of the foundation wall from 1'3" to 1'0", deleting the concrete wall from the top of the tunnel slab to the bottom of the 1st floor slab beam and deleting the tunnel wall and slab directly adjacent to McVey		10/13/92		- 18,244.00

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
CONGLETON & HACKER CO. LEXINGTON	ASTECC PHASES I & II - WORK CATEGORY #1 GENERAL WORK-BID PACK #3 Project No. 640.13/640.23				CONTINUED
Reason for Change:	Shoring installed in Bid Package #2 takes the place of the wall, rock location cuts down the size of the foundation wall, cost cutting measure to eliminate the wall bottom of the beam.				
CHANGE ORDER #5	Provide a detailed breakdown to add reinforcing in the planter wall on both faces.		11/06/92		+ 548.00
Reason for Change:	Structural loads require reinforcing on both inside and outside face of planter walls per Mason and Hanger Engineers.				
CHANGE ORDER #6	Provide additional reinforcing steel at the ASTeCC II east courtyard.		12/04/92		+ 458.00
Reason for Change:	The structure requires these beams and joists to extend to C.1 line, and additional 2'-2".				
CHANGE ORDER #7	Provide minimum 1/4" per foot slope in the courtyard structural slab.		12/04/92		+ 1,056.00
Reason for Change:	To allow a proper substraight for the future waterproofing slab to be placed on the structural slab.				
Contractor's Revised Contract Amount To Date:					\$ 1,496,668.00
D.W. WILBURN, INC. LEXINGTON	ASTECC PHASES I & II - WORK CATEGORY #2 MASONRY WORK-BID PACK #3 Project No. 640.13/640.23	\$634,500- 932,499	03/24/92	7	\$ 634,500.00
GRAYHAWK CORPORATION LEXINGTON	ASTECC PHASES I & II - WORK CATEGORY #3A WATERPROOFING - BID PACK #3 Project No. 640.13/640.23	\$15,016- 32,000	07/20/92	3	\$ 15,016.00
P & R ROOFING AND SHEET METAL, INC. LEXINGTON	ASTECC PHASES I & II - WORK CATEGORY #3B ROOFING AND SHEET METAL- BID PACK #3 Project No. 640.13/640.23	\$54,535- 77,480	07/20/92	2	\$ 54,535.00

*This contract is for three (3) interrelated and concurrent projects and represents the low bid.

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
W.R. COLE ASSOCIATES, INC. LOUISVILLE	ASTECC PHASES I & II - WORK CATEGORY #4A WINDOWS- BID PACK #3 Project No. 640.13/640.23	\$109,638- 129,700	09/30/92	3	\$ 109,638.00
W.R. COLE ASSOCIATES, INC. LOUISVILLE	ASTECC PHASES I & II - WORK CATEGORY #4B SKYLIGHT & CURTAIN WALLS BID PACK #3 Project No. 640.13/640.23	\$73,433- 89,300	09/30/92	2	\$ 73,433.00
ABELL ELEVATOR LOUISVILLE	ASTECC PHASES I & II - WORK CATEGORY #5 CONVEYING SYSTEMS-BID PACK #3 Project No. 640.13/640.23	\$108,932- 155,500	03/25/92	4	\$ 108,932.00
AMTECK OF KENTUCKY LEXINGTON	ASTECC PHASES I & II - WORK CATEGORY #7 ELECTRICAL WORK-BID PACK #3 Project No. 640.13/640.23	\$48,583- 71,640	03/24/92	3	\$ 48,583.00
ENVIRONMENTAL ENTERPRISES CINCINNATI, OH	ASTECC PHASE II P.C.B. TRANSFORMER REMOVAL AT MCVEY HALL Project No. 640.2	\$ 13,689	02/14/92	1	\$ 13,689.00
CONTRACTOR'S FINAL PAYMENT			10/09/92		\$ 13,689.00
MCNUTT CONSTRUCTION CO. ELIZABETHTOWN	ELIZABETHTOWN C.C. BOOKSTORE RELOCATION Project No. 656.0	\$20,792- 28,520	05/13/92	2	\$ 20,792.00
Previous Change Orders #1-2			08/14/92		+ 540.50
CHANGE ORDER #3	Revise the finish hardware on the pair of entry doors #1 and repair/repaint the H.M. doors and frames.		10/30/92		+ 1,168.00
Reason for Change:	The entry door panic hardware, incorporating a coordinator device, as included in the design documents, creates entry/exit problems for bookstore patron and the community college has requested the change.				
Contractor's Revised Contract Amount To Date:					\$ 22,500.50

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
VOCON, INC. HUNTINGTON, WV	ASHLAND COMM. COLLEGE ENERGY MANAGEMENT SYSTEM Project No. 659.0	\$62,900	04/17/90	1	\$ 62,900.00
CONTRACTOR'S FINAL PAYMENT			12/11/92		\$ 62,900.00
FINNEY COMPANY, INC. LEXINGTON	COOLING PLANTS #1 & 3 EXPANSION Project No. 666.1	\$369,000- 411,910	11/07/91	6	\$ 369,000.00
Previous Change Order #1-6					+ 20,947.78
Contractor's Revised Contract Amount To Date:					\$ 389,947.78
LAGCO, INC. LEXINGTON	COOLING PLANTS #1 & 3 EXPANSION Project No. 666.1	\$95,969- 115,900	12/20/91	4	\$ 95,969.00
Previous Change Orders #1					+ 599.00
CONTRACTOR'S FINAL PAYMENT			10/13/92		\$ 96,568.00
WOODFORD BUILDERS, INC. LEXINGTON	SPINDLETOP FACILITY RENOVATION Project No. 671.1	\$642,400- 728,800	11/09/92	11	\$ 642,400.00
WHEELER GENERAL CONTR. LEXINGTON	FINE ARTS BUILDING RENOVATION Project No. 681.0	\$13,635	03/11/92	1	\$ 13,635.00
Previous Change Orders #1					+ 581.55
CONTRACTOR'S FINAL PAYMENT			11/06/92		\$ 14,216.55
READ ASBESTOS REMOVAL, INC. GLASGOW	FINE ARTS BLDG. RENOVATION ASBESTOS ABATEMENT PHASE III Project No. 681.4	\$20,890- 45,785	03/09/91	5	\$ 20,890.00
Previous Change Orders #1 - 3					- 1.00
Contractor's Revised Contract Amount To Date:					\$ 20,889.00

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
CHARAH CONSTRUCTION MADISONVILLE	MADISONVILLE COM. COLLEGE HANDICAP PARKING/LOADING DOCK Project No. 690.5	\$99,898- 114,300	08/13/91	8	\$ 99,898.00
Previous Change Order #1					+ 932.36
Contractor's Revised Contract Amount To Date:					\$100,830.36
FIVE FOOT, INC d/b/a BODENBENDER & SHAWLER, INC. GREENVILLE, IN	MEDICAL CENTER NURSING BUILDING WINDOW MODIFICATIONS Project No. 692.0	\$104,933- 136,284	10/10/91	3	\$ 104,933.00
Previous Change Order #1					0
CHANGE ORDER #2	The following work shall be removed from the contract: 1. 18 lineal feet of relief angle repair. The 18 lineal feet of existing brick along the relief angles shall remain intact and to repair work shall occur. 2. Masonry sealer. Do not apply masonry sealer to the West Stair Tower.		09/29/92		- 1,012.63
Reason for Change:	1. & 2. There is evidence which indicated that the brick ties in the West Stair Tower are sporadically spaced and of insufficient quantity. The Architects recommendation has been to provide additional testing by qualified consultant to verify and/or determine location of brick ties, wall movement, etc. University Representatives have indicated that additional funds are not available to provide testing and corrective work.				
CONTRACTOR'S FINAL PAYMENT			12/04/92		\$ 103,920.37
SPARKS TERRELL LUMBER CO. LEXINGTON	SPORTS TICKET OFFICE Project No. 702.0	\$91,590- 124,000	11/04/91	10	\$ 91,590.00
Previous Change Order #1-3					+ 2,309.73
Contractor's Revised Contract Amount To Date:					\$ 93,899.73
TRIPLE D COMMUNICATIONS NICHOLASVILLE	LANDSCAPING AT SPORTS TICKET OFFICE Project No. 702.1	\$23,220- 33,474	10/21/92	3	\$ 23,220.00
CHANGE ORDER #1	Place 18" d x 6" w x 107'-0" long concrete curb from Point A to Point B as indicated on contract drawings.		12/02/92		+ 1,712.00

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
TRIPLE D COMMUNICATIONS NICHOLASVILLE	LANDSCAPING AT SPORTS TICKET OFFICE Project No. 702.1				CONTINUED
Reason for Change:	To prevent mulch and topsoil from being washed onto the existing pavement.				
Contractor's Revised Contract Amount To Date:					\$ 24,932.00
PEYRONNIN CONSTRUCTION CO. EVANSVILLE, IN	HENDERSON COMM. COLLEGE ACADEMIC/TECHNICAL BLDG. Project No. 722.0	\$3,266,000- 3,542,000	12/04/91	6	\$ 3,266,000.00
Previous Change Orders # 1-8					+ 23,017.00
CHANGE ORDER #9	1. Revise the subgrade below the Lofflestein wall adjacent to dock area. 2. Revise the subgrade under the service pavement from dock to Column Line "H". 3. Revise the reinforcement in service pavement to 6x6 #8/8 WWF, in lieu of 6x6 #10/10 WWF.		10/29/92		+ 7,470.00
Reason for Change:	1-3. These revisions are made because the subgrade below the area of the Lofflestein wall and the service pavement is unsuitable for the bearing capacity of each and needs to be removed and filled with stone fill.				
CHANGE ORDER #10	Additional cost for adding vinyl composition tile in Room 114.		10/30/92		+ 780.00
Reason for Change:	The contract documents do not show on the room finish schedule vinyl composition tile in Room 114. Therefore, when the Architects color and finish schedule was issued, the schedule indicated vinyl composition tile required in this room.				
Contractor's Revised Contract Amount To Date:					\$ 3,297,267.00
J.L. POOLE CONSTRUCTION, INC. HENDERSON	HENDERSON COMM. COLLEGE AUDITORIUM/FINE ARTS BLDG. Project No. 723.0	\$4,965,000- 5,460,340	12/17/91	4	\$ 4,965,000.00
Previous Change Orders # 1-5					+ 5,577.27
CHANGE ORDER #6	Add additional waterproofing and drainage pipe to the west wall on Column Line 14, to the south wall of the rigging pit, and to the east wall of the Orchestra Pit on Column Line 12.		10/07/92		+ 1,484.28

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
J.L. POOLE CONSTRUCTION, INC. HENDERSON	HENDERSON COMM. COLLEGE AUDITORIUM/FINE ARTS BLDG. Project No. 723.0				CONTINUED
Reason for Change:		This additional waterproofing is being done due to the observation and condition of the existing coils and their tendencies to retain high levels of moisture.			
Contractor's Revised Contract Amount To Date:					\$ 4,972,061.55
ALADDIN ELECTRIC, INC. MANITOU	HENDERSON COMM. COLLEGE AUDITORIUM/FINE ARTS BUILDING SITE UTILITIES Project No. 723.1	\$42,288- 88,988	07/21/92	5	\$ 42,288.00
BUFCO CORP./DBA BUFCO ELECTRIC	HENDERSON COMM. COLLEGE COMMUNICATION DUCTBANK AND OUTSIDE PLANT TELEPHONE CABLE INSTALLATION Project No. 723.3	\$92,586- 139,860	08/25/92	6	\$ 92,586.00
RAYCO SHEET METAL WORKS PHILPOT	MADISONVILLE COMM. COLLEGE ACADEMIC BLDG./L.R.C. TRADE #13 - MECHANICAL WORK Project No. 724.1	\$173,757- 196,000	08/13/91	3	\$ 173,757.00
Previous Change Order #1 - 2					+ 4,004.46
CONTRACTOR'S FINAL PAYMENT			10/13/92		\$ 177,761.46
ALADDIN ELECTRIC, INC. MANITOU	MADISONVILLE COMM. COLLEGE ACADEMIC BLDG./L.R.C. TRADE #14 - ELECTRICAL WORK Project No. 724.1	\$18,000- 22,000	08/14/91	5	\$ 18,000.00
CONTRACTOR'S FINAL PAYMENT			12/04/92		\$ 18,000.00
PRINCETON LUMBER CO., INC. PRINCETON	MADISONVILLE COMM. COLLEGE ADMINISTRATION BUILDING COMPLETION Project No. 724.2	\$371,400- 424,250	08/25/92	8	\$ 371,400.00
CHANGE ORDER #1	Relocate the existing electrical main power and telephone system.		11/11/92		+ 13,639.00

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
PRINCETON LUMBER CO., INC. PRINCETON	MADISONVILLE COMM. COLLEGE ADMINISTRATION BUILDING COMPLETION Project No. 724.2				CONTINUED
Reason for Change:	The main electrical service conduit and wire and the main telephone conduit and wire were uncovered when excavating in the "South Cave" for the new Bookstore. Since they were above the floor slab elevation, they must be removed and rerouted.				
CHANGE ORDER #2	Furnish and install one (1) baked enamel, 24" x 12" mechanical louver for exhaust fan E-3 to match the existing metal.		11/11/92		+ 418.00
Reason for Change:	This mechanical louver was required since the existing plans showed the wall to be a louvered wall, however, the wall was bricked up during prior construction.				
CHANGE ORDER #3	1. Install an exterior foundation drainage system and interior below slab drainage system. 2. Install waterproofing of existing concrete foundation wall. 3. Install waterproofing of new concrete block retaining wall.		11/11/92		+ 5,408.00
Reason for Change:	1-3. Existing subsurface condition outside the existing Administration Building is allowing subsurface water to flow into the "South Cave" area. This water must be picked up and removed by the drainage system before it enters the "South Cave" area.				
CHANGE ORDER #4	Install additional closures that are required by the Kentucky Department of Buildings and Construction. Also additional hardware required for changing door from a single door to a pair of doors.		11/18/92		+ 1,115.00
Reason for Change:	This change was the result of the review comments made by the Kentucky Department of Housing, Buildings and Construction's letter of September 8, 1992 which was required by the building code.				
Contractor's Revised Contract Amount To Date:					\$ 391,980.00
HARTZ CONSTRUCTION CO. OWENSBORO	OWENSBORO COMM COLLEGE CAMPUS COMPLETION Project No. 725.0	\$3,218,000 3,479,749	12/05/91	5	\$ 3,218,000.00

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
HARTZ CONSTRUCTION CO. OWENSBORO	OWENSBORO COMM. COLLEGE CAMPUS COMPLETION Project No. 725.0				CONTINUED
Previous Change Orders #1-6					+ 20,607.17
CHANGE ORDER #7	Add two (2) telephone pull boxes constructed with reinforced concrete and addition of telephone manhole cover in front of the Student Center.	10/02/92			+ 2,072.00
Reason for Change:	These two (2) pull boxes were requested by South Central Bell on an advisory basis because in their opinion, future telephone cable (fiber optic) could not be pulled thru conduit in front of the Student Center without these pull boxes.				
CHANGE ORDER #8	Revise the reinforced concrete wall at the Student Center.	11/18/92			+ 925.00
Reason for Change:	The revision was required when the contractor laid out the sub-surface drainage system, the drainage pipe was interfering with the wall footer.				
CHANGE ORDER #9	Furnish and install temporary condensing water connections to the Maintenance Bldg.	12/02/92			+ 5,660.68
Reason for Change:	This change is necessary to keep all buildings on campus with air-conditioning when the existing water supply is shutdown for the construction of the Student Center.				
CHANGE ORDER #10	Re-route the existing 8" condensing water return line in front of the Maintenance Bldg.	12/02/92			+ 3,288.65
Reason for Change:	The actual location of the existing below grade condensing water return in front of the Maintenance Bldg. was further south than shown on the site survey placing it below the Student Center, therefore it had to be re-routed.				
Contractor's Revised Contract Amount To Date:					\$ 3,250,553.50
LARK ELECTRIC CO., INC. OWENSBORO	OWENSBORO C.C. CAMPUS COMPLETION Project No. 725.1	\$26,771- 37,100	05/13/92	4	\$ 26,771.00
CONTRACTOR'S FINAL PAYMENT					11/06/92 \$ 26,771.00

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
CHARAH CONSTRUCTION MADISONVILLE	MADISONVILLE COMM. COLLEGE ACADEMIC BLDG./L.R.C. TRADE #1 - GENERAL WORK Project No. 726.0	\$441,449 - 577,000	08/15/91	2	\$ 441,449.00
	Previous Change Orders #1				+ 1,205.00
	CONTRACTOR'S FINAL PAYMENT		09/30/92		\$ 442,654.00
K & K NURSERY & FARMS WHITE PLAINS	MADISONVILLE COMM. COLLEGE ACADEMIC BLDG./L.R.C. TRADE #2 - LANDSCAPING Project No. 726.0	\$20,112- 38,958	08/20/91	2	\$ 20,112.69
RIVER CITY DEVELOPMENT LOUISVILLE	MADISONVILLE COMM. COLLEGE ACADEMIC BLDG./L.R.C. TRADE #3 - MASONRY WORK Project No. 726.0	\$292,800- 311,184	08/08/91	2	\$ 292,800.00
	Previous Change Order #1-2				- 7,536.00
	Contractor's Revised Contract Amount To Date:				\$ 285,264.00
PROGRESSIVE CONSTRUCTORS PRINCETON	MADISONVILLE COMM. COLLEGE ACADEMIC BLDG./L.R.C. TRADE #4 - METAL WORK Project No. 726.0	\$235,500-	08/08/91	1	\$ 235,000.00
	TRADE #8 - TILE & TERRAZZO Project No. 726.0	\$46,000	08/08/91	1	\$ 46,000.00
	TRADE #11 - ARCHITECTURAL WOODWORK Project No. 726.0	\$76,000- 77,699	08/08/91	2	\$ 76,000.00
	TOTAL CONTRACT AMOUNT:				\$ 357,000.00
	Previous Change Order #1				+ 800.00
	Contractor's Revised Contract Amount To Date:				\$ 357,800.00
COMMERCIAL DRYWALL NICHOLASVILLE	MADISONVILLE COMM. COLLEGE ACADEMIC BLDG./L.R.C. TRADE #7 - GYPSUM TRADES & INTERIOR FINISHES Project No. 726.0	\$195,500- 214,449	08/14/91	2	\$ 195,500.00

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
COMMERCIAL DRYWALL NICHOLASVILLE	MADISONVILLE COMM. COLLEGE ACADEMIC BLDG./L.R.C. TRADE #7 - GYPSUM TRADES & INTERIOR FINISHES Project No. 726.0				CONTINUED
CHANGE ORDER #1	Credit to owner for unused labor hours.		09/29/92		- 640.00
Reason for Change:	The scope of work in the Contract Documents called for a credit of surplus labor hours at the end of the project.				
CONTRACTOR'S FINAL PAYMENT			10/26/92		\$ 194,860.00
DOVER ELEVATOR CO. EVANSVILLE, IN.	MADISONVILLE COMM. COLLEGE ACADEMIC BLDG./L.R.C. TRADE #12 - ELEVATOR WORK Project No. 726.0	\$26,900	08/13/91	1	\$ 26,900.00
RAYCO SHEET METAL WORKS* PHILPOT	MADISONVILLE COMM. COLLEGE ACADEMIC BLDG./L.R.C. TRADE #13 - MECHANICAL WORK Project No. 726.0	\$391,500- 413,684	08/13/91	2	\$ 413,684.00
Previous Change Orders #1 - 5					+ 8,450.05
CONTRACTOR'S FINAL PAYMENT			10/13/92		\$ 422,134.05
ALADDIN ELECTRIC, INC. MANITOU	MADISONVILLE COMM. COLLEGE ACADEMIC BLDG./L.R.C. TRADE #14 - ELECTRICAL WORK Project No. 726.0	\$286,200- 323,000	08/14/91	4	\$ 286,200.00
Previous Change Orders #1-3					- 1,288.00
CONTRACTOR'S FINAL PAYMENT			12/04/92		\$ 284,912.00
DENHAM-BLYTHE CO., INC. LEXINGTON	MAYSVILLE COMM. COLLEGE STUDENT CENTER Project No. 727.0	\$3,371,900- 4,093,300	01/08/92	4	\$ 3,371,900.00
Previous Change Orders #1					- 2,000.00
Contractor's Revised Contract Amount To Date:					\$ 3,369,900.00

*This was bid in combination with Project 724.1. The total of the two projects was the low bid.

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
GREEN CONSTRUCTION CO., INC. MIDDLESBORO	SOUTHEAST COMM. COLLEGE APPALACHIAN CENTER/FINE ARTS BUILDING Project No. 728.0	\$3,927,900- 4,226,449	12/18/91	7	\$ 3,927,900.00
Previous Change Orders # 1 - 10					+ 48,587.35
CHANGE ORDER #11	Add furnishing and installation of a smoke exhaust system for installation in the atrium.		10/21/92		+ 21,781.27
Reason for Change:	The smoke removal system was originally included in this project but was taken out by addenda after the KY. Dept. of HBC/Plan Review implied to consultant that the system would not be required. The KY. Dept. of HBC has since responded that the system is required by code, and has been redesigned based on the most recent BOCA Standards.				
CHANGE ORDER #12	Add furnishing and installation of extra sidewalks and temporary fencing.		10/22/92		+ 3,335.00
Reason for Change:	Owner requested additional fencing for safety of students around construction site.				
CHANGE ORDER #13	Add one (1) plumbing fixture to Work Room #223B. Fixture is P-3F, single compartment sink.		10/27/92		+ 636.00
Reason for Change:	The fixture and the hook-up were not shown on the plumbing drawings so they were not included in the bid. Work Room sink was an original program requirement.				
Contractor's Revised Contract Amount To Date:					\$ 4,002,239.62
CONGLETON HACKER CO. LEXINGTON	LEXINGTON COMM. COLLEGE ACADEMIC TECHNICAL BLDG. Project No. 729.0	\$3,357,869- 3,770,000	12/09/91	7	\$ 3,357,869.00
Previous Change Orders # 1 - 11					+ 66,371.00
CHANGE ORDER #12	Install 3"x3"x1/4" steel angles at the underside of the second floor deck at location where the deck abuts the round columns.		10/02/92		+ 474.96
Reason for Change:	This change is required to provide supports of the second floor deck around the round columns.				

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
CONGLETON HACKER CO. LEXINGTON	LEXINGTON COMM. COLLEGE ACADEMIC TECHNICAL BLDG. Project No. 729.0				CONTINUED
CHANGE ORDER #13	This change is an addendum to Change Order #8 where an allowance of 8 cu. yds. of rock was anticipated to be removed, but the actual rock encountered was 32.32 cu. yds., according to field measurements.		10/19/92		+ 4,195.00
Reason for Change:	This change is required to adjust the contract according to the actual conditions encountered in implementing the work for Change Order #8.				
CHANGE ORDER #14	Remove and replace 140 S.F. of sidewalk and 12 l.f. of curb at the electrical manhole in front of the Oswald Building.		10/19/92		+ 2,037.34
Reason for Change:	The change is required in order to complete the installation of the underground communications ductbank and correct an unsafe condition at the sidewalk encountered during excavation for the ductbank.				
CHANGE ORDER #15	Provide the services of a testing and inspection agency to do the inspection of the structural steel, steel joists, and metal deck.		11/19/92		+ 2,393.00
Reason for Change:	This change is required to provide testing of the structural steel that was not included under the scope of the contract.				
CHANGE ORDER #16	Provide and install five additional alarm strobe lights as well as change all fire alarm audio/visual devices to audio/visual strobes.		11/19/92		+ 3,269.00
Reason for Change:	This change is required for the fire alarm audio/visual devices to meet requirements of the Americans with Disabilities Act.				
Contractor's Revised Contract Amount To Date:					\$ 3,436,609.30
F.W. OWENS CO. LOUISVILLE	JEFFERSON C.C. COLLEGE SW ACADEMIC BUILDING Project No. 731.0	\$2,054,400 2,214,874	07/25/91	8	\$ 2,054,400.00
Previous Change Order #1 - 13					+ 20,456.00
CHANGE ORDER #14	Install phone cable, lighting protection, and grounding for the phone system.		10/14/92		+ 10,700.00

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
F.W. OWENS CO. LOUISVILLE	JEFFERSON C.C. COLLEGE SW ACADEMIC BUILDING Project No. 731.0				CONTINUED
Reason for Change:	This work was not included in the original Construction documents. This work was originally going to be installed by UK Communications through price contract. However, since the on site electrical contractor did not have to mobilize, they offered a price which was less expensive than communication's estimate.				
Contractor's Revised Contract Amount To Date:					\$ 2,085,556.00
RIVERSIDE PAVING & CONTRACTING, INC. LOUISVILLE	JEFFERSON COMM COLLEGE SW PLAZA AND PARKING LOT Project No. 731.1	\$138,990- 190,581	11/09/92	5	\$ 138,990.00
WOODFORD BUILDERS, INC. LEXINGTON	CHEMISTRY/PHYSICS BUILDING RENOVATION Project No. 732.0	\$1,128,400- 1,299,000	12/04/91	8	\$ 1,128,400.00
Previous Change Orders # 1- 16					+ 12,861.19
CHANGE ORDER #17	Provide two display cases 4' high by 12' long by 2" deep. Remove and discard two existing cases and install new cases as directed by Owner.		10/15/92		+ 2,351.83
Reason for Change:	Owner request because existing display cases were to be relocated but condition and type of construction of cases prevented satisfactory reinstallation.				
CHANGE ORDER #18	At elevator number 2, provide key switches at car main station to operate rear doors; disable rear door buttons at auxiliary car station.		10/15/92		+ 1,129.30
Reason for Change:	Because building elevators are now open for all to use, it is necessary to have key switches for rear door operation in the car of elevator number 2 to keep unauthorized persons from entering supply rooms on each floor by way of the elevator.				
CHANGE ORDER #19	Provide fin tube radiator enclosure to cover the existing fin tube in Room 131		10/15/92		+ 431.25
Reason for Change:	Existing fin tube radiator was exposed by removal of a base cabinet.				

II. CONSTRUCTION CONTRACTS

<u>CONTRACTOR</u>	<u>PROJECT</u>	<u>BID RANGE</u>	<u>AWARD DATE</u>	<u>NO. OF BIDDERS</u>	<u>CONTRACT PRICE</u>
WOODFORD BUILDERS, INC. LEXINGTON	CHEMISTRY/PHYSICS BUILDING RENOVATION Project No. 732.0				CONTINUED
CHANGE ORDER #20	1. Modify panic device hardware at opening 402 to provide locks and cylinders, and repaint wall. 2. In lieu of the classroom lockset with knurled knob at Opening No. 303, provide a rim panic device with cylinder and lock, and trim include escutcheon with knurled knob at corridor.		11/12/92		+ 1,041.81
Reason for Change:	1. Cylinder locks were requested to provide additional security for the penthouse fan room. 2. The Fire and Accident Prevention representative requested the lockset be changed to a rim panic device as an extra safety precaution.				
CHANGE ORDER #21	1. Remove and relocate door and hardware to Janitor's Closet. 2. Revise location of new fire hose cabinets on 2nd and 3rd floors. 3. Cut and remove existing concrete floor slab as required to install ceramic tile.		11/12/92		+ 392.00
Reason for Change:	1-3. When wall was removed per demolition plan, it was determined that the existing construction was not structurally suitable for reinstallation of the existing door and frame as designed. Relocation of the doorway required removal and reinstallation of existing mudset ceramic tile floor and permitted relocation of fire valve cabinet to avoid piping conflict.				
CHANGE ORDER #22	Provide new horizontal blinds.		11/12/92		+ 282.20
Reason for Change:	Existing blinds were beyond repair and could not be salvaged.				
CHANGE ORDER #23	Provide 8 extra emergency shower/eye wash stations at contract unit price of \$1,145.00 each.		12/02/92		+ 9,160.00
Reason for Change:	To provide safety shower/eye wash stations required by future renovations.				
CHANGE ORDER #24	1. Provide smoke detector in each elevator hoistway and machine room. 2. Provide smoke detectors in classrooms.		11/12/92		+ 6,928.50

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
WOODFORD BUILDERS, INC. LEXINGTON	CHEMISTRY/PHYSICS BUILDING RENOVATION Project No. 732.0				CONTINUED
	3. Extend hose header to outside the building instead of inside as shown.				
Reason for Change:	1. Smoke detectors are required in machine rooms and in hoistways which are sprinkled, but were not included. 2. Detectors are needed for sprinkler double interlock protection in these rooms, but were not indicated. 3. Header should have been shown outside.				
CHANGE ORDER #25	Relocate sprinkler system pre-action panel and extend fire alarm wiring to the panel.		11/12/92		+ 913.00
Reason for Change:	Existing conditions of piping and conduit discovered during construction would not allow installation of panel where shown.				
CHANGE ORDER #26	Monitor the fire pump by using an existing zone in the Fire Alarm Control Panel to annunciate "Fire Pump Trouble".		11/12/92		+ 1,376.00
Reason for Change:	Such supervision of automatic fire suppression systems is required by the "Kentucky Building Code, 1991" in accordance with NFPA 72., but construction documents did not indicate supervision of the fire pump.				
CHANGE ORDER #27	Cross connect communication system to re-activate telephone service cut by removal of terminal.		11/12/92		+ 236.71
Reason for Change:	Demolition of existing communications circuits to floor outlets shown to terminate in Room 150 revealed that the concealed wiring actually served other locations as well, requiring contractor to provide new communications wiring.				
CHANGE ORDER #28	Reroute conduit and reinstall switch box to aid installation of fire valve cabinet.		11/12/92		+ 138.82
Reason for Change:	When the new opening was cut in existing masonry walls, concealed conduit and the associated switch and outlet had to be relocated to permit installation of a new fire hose cabinet.				
Contractor's Revised Contract Amount To Date:					\$ 1,165,642.61

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
MARKSBURY CORNETT LOUISVILLE	ANDERSON TOWER FIRE SPRINKLERS Project No. 742.0	\$209,900- 363,600	12/09/91	7	\$ 209,900.00
Previous Change Orders # 1- 10					+ 20,391.31
CHANGE ORDER #11	Provide two (2) upright sprinkler heads under Mezzanine in Room 59A.		10/07/92		+ 232.00
Reason for Change:	Heads needed to comply with Code. At the time this project bid, the Owner had installed a solid floor covering over the metal, thus making additional sprinklers below required.				
CONTRACTOR'S FINAL PAYMENT			12/11/92		\$ 230,523.31
ADVANCED FIRE PROTECTION WILDER	FUNKHOUSER FIRE SPRINKLERS Project No. 743.0	\$183,216 243,760	04/14/92	7	\$ 183,216.00
Previous Change Orders #1-3					+ 4,162.00
CHANGE ORDER #4	Furnish all necessary labor and material to complete the replacement of all unsafe wiring on the second floor.		10/14/92		+ 113.50
Reason for Change:	Upon pulling wire, insulation was breaking causing unsafe conditions. Old existing wiring concealed above drywall ceilings was found to have deteriorated with age, the insulation had become brittle, and connection of new devices could not be done safely.				
CHANGE ORDER #5	Furnish and install electrical receptacle and service to water vault. Install new sump pump, pump pit, and associated piping to existing manhole.		11/05/92		+ 1,289.25
Reason for Change:	Existing manhole invert elevation was too high for natural drainage of water vault as shown on drawings. Elevation indicated on as-built drawings were wrong.				
CHANGE ORDER #6	Connect the fire pump directly to the transformer with one run of 500 MCM to comply with National Electric Code.		11/17/92		+ 3,214.05
Reason for Change:	Contract documents call for an electrical connection for a new 2000 amp main entrance switch at the existing incoming electric service. When the Contractor attempted to make the required connection it was determined that the existing service could not be used without violating electric code requirements.				

II. CONSTRUCTION CONTRACTS

<u>CONTRACTOR</u>	<u>PROJECT</u>	<u>BID RANGE</u>	<u>AWARD DATE</u>	<u>NO. OF BIDDERS</u>	<u>CONTRACT PRICE</u>
ADVANCED FIRE PROTECTION WILDER	FUNKHOUSER FIRE SPRINKLERS Project No. 743.0				CONTINUED
Contractor's Revised Contract Amount To Date:					\$ 191,994.80
ECKERT FIRE PROTECTION CINCINNATI, OH	AGRICULTURAL SCIENCE #2 FIRE SPRINKLERS Project No. 744.0	\$245,000- 286,000	12/09/91	4	\$ 245,000.00
Previous Change Orders #1					+ 1,319.00
CHANGE ORDER #2	Install new floor drain with 2" tap on side for 6" backflow preventor drain.		09/29/92		+ 455.00
Reason for Change:	Upon removal of the concrete floor slab, it was discovered that the existing floor drain assembly could not be adapted to accommodate the new backflow preventor drain, as was indicated in the contract documents.				
CHANGE ORDER #3	Lower ten (10) existing signs for straight run of sprinkler piping at \$51.00 each. Lower one (1) existing eyewash valve for straight run of sprinkler piping at \$50.00.		09/29/92		+ 560.00
Reason for Change:	Existing devices were not shown on drawings. It was determined that a better arrangement of piping would result by lowering the existing device rather than alter the sprinkler piping which would create a high point in lines.				
CHANGE ORDER #4	Install sidewalk sprinklers at alcoves.		10/14/92		+ 1,506.00
Reason for Change:	Contract documents did not require sprinkler heads in 9 small alcoves, based on the Consultant's interpretation of code requirements. The State Department of Building Codes Enforcement disagreed and refused the Consultant's request for a variance.				
CHANGE ORDER #5	Paint basement floor of building with latex epoxy paint in color to match existing.		11/30/92		+ 1,250.00
Reason for Change:	Contractor scratched floor when moving sprinkler piping in about 20% of entire area. This change order represents 80% of the cost of repainting the floor; the remaining 20% of the cost as the contractors contribution.				
Contractor's Revised Contract Amount To Date:					\$ 250,090.00

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
MILNER ELECTRIC LEXINGTON	AGRICULTURE SCIENCE NO.2 EMERGENCY GENERATOR Project No. 744.1	\$51,346- 77,982	12/09/92	5	\$ 51,346.00
RELIABLE MECHANICAL, INC. LOUISVILLE	CHEMISTRY/PHYSICS BUILDING FUME HOOD UPGRADE Project No. 745.1	\$2,806,789 4,019,000	10/10/92	2	\$ 2,806,789.00
FRED CLEMENTS HEATING & AIR LEXINGTON	FUME HOOD SYSTEM UPGRADE AGRICULTURAL SCIENCE #2 Project No. 745.3	\$574,308- 599,680	04/14/92	2	\$ 574,308.00
Previous Change Orders #1-5					+ 6,690.00
CHANGE ORDER #6	Relocate electrical conduit to allow adjustment to exhaust duct riser as required to avoid interference with existing explosion relief vent.		10/13/92		+ 200.00
Reason for Change:	Conflict of ductwork with location of existing explosion relief vent requires rerouting of two (2) existing electrical circuits.				
CHANGE ORDER #7	Relocate sprinkler piping in the Penthouse mechanical room as required to avoid placement of new ductwork. Sprinkler piping placed after the award of the contract.		10/13/92		+ 564.00
Reason for Change:	Conflict between routing of new ductwork and location of sprinkler piping installed under a separate contract and after the award of this project, required relocation of sprinkler piping.				
CHANGE ORDER #8	Remove perchloric acid system ductwork, fan and piping. Contractor to be OSHA trained and approved. Dispose of material at an approved landfill. Amount of proposed change includes a credit from original requested work.		10/13/92		+ 3,637.50
Reason for Change:	The specifications were based on University guidelines for demolition of perchloric acid systems. These guidelines are obsolete. Perchloric acid contamination must be abated by OSHA trained personnel.				
CHANGE ORDER #9	Install a curb for acid waste drainage from fume hood exhaust stacks.		10/13/92		+ 642.00

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
FRED CLEMENTS HEATING & AIR LEXINGTON	FUME HOOD SYSTEM UPGRADE AGRICULTURAL SCIENCE #2 Project No. 745.3				CONTINUED
Reason for Change:	An addendum to the contract documents instructed the contractor to route the drains from two (2) exhaust stacks to a roof drain. Subsequent to award of the contract, it was determined that no drain suitable for this purpose exists.				
CHANGE ORDER #10	Install curbs for a future emergency generator exhaust vent.		10/13/92		+ 642.00
Reason for Change:	Repair of the urethane roof on Ag. Science South entails a set-up cost in excess of \$3,000 plus the cost of the repair. Including the penetrations to be required for installation of the emergency generator under Project 744.1 in this scope of work will save the University that set-up charge.				
CHANGE ORDER #11	Provide electrical service to new motor control center as subfeed from existing penthouse switchgear and delete connection to proposed generator in basement.		10/16/92		+ 1,846.66
Reason for Change:	Contract drawings and addenda call for connection to motor control center from a new emergency power panel and generator that was to have been installed in the basement by the University under a separate contract. This generator has not yet been installed and is now proposed to be located in the penthouse.				
CHANGE ORDER #12	Install a 36" x 18" access door in the existing air handling unit AS-102 to allow inspection of the new steam coil and control dampers.		10/27/92		+ 568.00
Reason for Change:	An inspection door was not indicated in the project documents.				
CHANGE ORDER #13	Install roof exhaust fan and inlet ductwork for ether room exhaust.		10/27/92		+ 7,588.00
Reason for Change:	Upon removal of the transit ductwork on the 9th floor, it was discovered that the solvent distillation area does not have it's own exhaust air system. Because of the potentially hazardous nature of the materials being exhausted, a separate duct system and roof top exhaust fan is necessary.				
CHANGE ORDER #14	Repair corroded housing at existing sulphuric hood with stainless steel. Repair sash at existing perchloric hood.		11/12/92		+ 851.00

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
FRED CLEMENTS HEATING & AIR LEXINGTON	FUME HOOD SYSTEM UPGRADE AGRICULTURAL SCIENCE #2 Project No. 745.3				CONTINUED
Reason for Change:	It was discovered during construction that portions of the existing sulphuric acid hood as well as the existing perchloric hood have damages which must be repaired prior to reconnecting them to the new fume hood exhaust system.				
Contractor's Revised Contract Amount To Date:					\$ 597,537.16
AMERICAN RESOURCES, INC. MADISON, TN	ASBESTOS ABATEMENT FUME HOOD SYSTEM UPGRADE AGRICULTURAL SCIENCE #2 Project No. 745.31 (Changed From 644.2)	\$ 28,500- 89,300	04/14/92	7	\$ 28,500.00
CONTRACTOR'S FINAL PAYMENT			12/11/92		\$ 28,500.00
E.C. MATTHEWS CO., INC. LEXINGTON	FUME HOOD SYSTEM UPGRADE II AGRICULTURE SCIENCE NO.2 Project No. 745.33	\$104,500- 148,775	08/03/92	4	\$ 104,500.00
THE MATTINGLY COMPANY LEXINGTON	CIVIL ENGINEERING - DEMO. & MODIFICATION TRADE #1 - GENERAL DEMOLITION WORK Project No. 746.1	\$197,000- 322,000	07/29/91	5	\$ 197,000.00
Previous Change Order #1-2					+ 1,763.00
Contractor's Revised Contract Amount To Date:					\$ 198,763.00
LAGCO, INC. LEXINGTON	CIVIL ENGINEERING - DEMO & MODIFICATION TRADE #2 - MECHANICAL WORK Project No. 746.1	\$70,331- 89,342	07/29/91	2	\$ 70,331.00
Previous Change Orders # 1- 3					+ 15,665.00
Contractor's Revised Contract Amount To Date:					\$ 85,996.00
WATSON ELECTRIC CO. LEXINGTON	CIVIL ENGINEERING - DEMO & MODIFICATION TRADE #3 - ELECTRICAL WORK Project No. 746.1	\$46,884- 62,424	07/29/91	6	\$ 46,884.00

II. CONSTRUCTION CONTRACTS

<u>CONTRACTOR</u>	<u>PROJECT</u>	<u>BID RANGE</u>	<u>AWARD DATE</u>	<u>NO. OF BIDDERS</u>	<u>CONTRACT PRICE</u>
WATSON ELECTRIC CO. LEXINGTON	CIVIL ENGINEERING - DEMO & MODIFICATION TRADE #3 - ELECTRICAL WORK Project No. 746.1				CONTINUED
Previous Change Order #1					+ 7,615.00
CONTRACTOR'S FINAL PAYMENT			10/30/92		\$ 54,499.00
WOODFORD BUILDERS LEXINGTON	CIVIL ENGINEERING BUILDING BID PACK #3, WORK CATEGORY #1, GENERAL WORK Project No. 746.3	\$1,764,000- 1,910,000	02/25/92	5	\$ 1,764,000.00
Previous Change Orders #1-3					- 6,712.00
CHANGE ORDER #4	Provide a detailed breakdown to delete a portion of the east foundation wall between columns 'B' and 'D'. Revise the wall and footings to provide construction similar to the block wall south of column line 'D'.		10/06/92		- 6,827.00
Reason for Change:	The wall deleted is common with ASTeCC III and is no longer required to be concrete structure and can be replaced with concrete block.				
CHANGE ORDER #5	Provide labor and material for added haunch in the skylight and added material and labor to provide eight added blockouts in the roof structure.		11/18/92		+ 744.00
Reason for Change:	Haunch is added to provide support for cleaning equipment to be used in cleaning skylight.				
Contractor's Revised Contract Amount To Date:					\$ 1,751,205.00
BOYLE MASONRY, INC. STANFORD	CIVIL ENGINEERING BUILDING BID PACK #3, WORK CATEGORY #2, MASONRY WORK Project No. 746.3	\$635,400- 1,098,000	02/28/92	6	\$ 635,400.00
Previous Change Orders #1-2					+ 1,348.00
Contractor's Revised Contract Amount To Date:					\$ 636,748.00

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
EAGLE ROOFING & SHEET METAL LEXINGTON	CIVIL ENGINEERING BUILDING BID PACK #3, WORK CATEGORY #3, ROOFING & SHEET METAL Project No. 746.3	\$159,700- 271,109	02/28/92	5	\$ 159,700.00
W.R. COLE AND ASSOCIATES LEXINGTON	CIVIL ENGINEERING BUILDING BID PACK #3, WORK CATEGORY #4, SKYLIGHTS & WINDOWS Project No. 746.3	\$253,255- 284,500	02/26/92	3	\$ 253,255.00
D & C ELEVATOR LEXINGTON	CIVIL ENGINEERING BUILDING BID PACK #3, WORK CATEGORY #5, CONVEYING SYSTEMS Project No. 746.3	\$182,294- 249,000	02/28/92	3	\$ 182,294.00
Previous Change Orders #1					+ 435.00
Contractor's Revised Contract Amount To Date:					\$ 182,729.00
LAGCO, INC. LEXINGTON	CIVIL ENGINEERING BUILDING BID PACK #3, WORK CATEGORY #6, MECHANICAL WORK Project No. 746.3	\$108,607- 125,430	02/26/92	3	\$ 108,607.00
Previous Change Orders #1-2					- 13,851.00
CHANGE ORDER #3	Reroute the domestic and fire water lines serving Robotics currently routing thru the south lab building footprint.		10/05/92		+ 9,077.00
Reason for Change:	Existing/Found condition. Found conditions resulted in more extensive utility modifications than anticipated.				
CHANGE ORDER #4	Revise 6" valve to 8" on the rerouted water line currently coming to Robotics from the south side of Matthews Building.		10/06/92		+ 286.00
Reason for Change:	Existing/Found condition. The water line was shown to be 6" on the documents. Upon excavation the water line was found to be 8".				

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
LAGCO, INC. LEXINGTON	CIVIL ENGINEERING BUILDING BID PACK #3, WORK CATEGORY #6, MECHANICAL WORK Project No. 746.3				CONTINUED
CHANGE ORDER #5	Additional labor required to provide added demolition of piping and ductwork on AHU #1 in Anderson's Mechanical room.		10/06/92		+ 828.00
Reason for Change:	Existing materials were in the way of forming of the 1st floor slab for Civil Engineering Bldg.. These demolitions were to be part of Bid Pack #4 but when the mechanical work category was rejected this work had to be completed by Change Order to keep the project moving.				
CHANGE ORDER #6	Reroute the storm discharge line in the courtyard of the Engineering Quadrangle. Reroute with same size piping to the new manhole 25' to the west of the end of the existing pipe.		10/15/92		+ 1,026.00
Reason for Change:	Existing/found condition. The pipe is uncharted and was cut during excavation for the building. The pipe is now discharging into the footprint of the Civil Engineering Bldg. and requires reroute to allow installation of waterproofing.				
Contractor's Revised Contract Amount To Date:					\$ 105,973.00
AMTECK OF KENTUCKY, INC. LEXINGTON	CIVIL ENGINEERING BUILDING BID PACK #3, WORK CATEGORY #7, ELECTRICAL WORK Project No. 746.3	\$76,779- 157,400	02/28/92	5	\$ 76,779.00
Previous Change Orders #1					+ 482.00
Contractor's Revised Contract Amount To Date:					\$ 77,261.00
MARKSBURY-CORNETT ENG. LOUISVILLE	CIVIL ENGINEERING BUILDING BID PACK #4 WORK CATEGORY #1 GENERAL WORK Project No. 746.4	\$480,000 578,890	06/19/92	3	\$ 480,000.00

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
BOYLE MASONRY, INC. STANFORD	CIVIL ENGINEERING BUILDING BID PACK #4 WORK CATEGORY #2 MASONRY WORK Project No. 746.4	\$294,425	06/18/92	1	\$ 294,425.00
W.R.COLE & ASSOC. LOUISVILLE	CIVIL ENGINEERING BUILDING BID PACK #4 WORK CATEGORY #3 ELECTRICAL WORK Project No. 746.4	\$63,717	06/23/92	1	\$ 63,717.00
L. STANDAFER CO. LEXINGTON	CIVIL ENGINEERING BUILDING BID PACK #4 WORK CATEGORY #4 LATH, PLASTER AND DRYWALL Project No. 746.4	\$86,100 134,718	06/23/92	5	\$ 86,100.00
MARTINA BROTHERS LEXINGTON	CIVIL ENGINEERING BUILDING BID PACK #5 WORK CATEGORY #5 CERAMIC TILE Project No. 746.4	\$11,970	06/19/92	1	\$ 11,970.00
COMMERCIAL DRYWALL NICHOLASVILLE	CIVIL ENGINEERING BUILDING BID PACK #4 WORK CATEGORY #6 ACCOUSTICAL CEILINGS Project No. 746.4	\$45,258- 58,500	06/23/92	6	\$45,258.00
L. STANDAFER CO.* LEXINGTON	CIVIL ENGINEERING BUILDING BID PACK #4 WORK CATEGORY #7 RESILIENT FLOORING AND CARPETING Project No. 746.4	\$33,300- 57,400	06/23/92	4	\$ 50,995.00

*The contract was awarded to the second low bidder. The low bidder presented convincing evidence that a mistake was made on the bid submitted. This action was taken under provisions of KRS 45A.080 and Administrative Regulations 200 KAR 5:306.

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
THOMPSON PAINTING & DECORATING, INC.	CIVIL ENGINEERING BUILDING BID PACK #4 WORK CATEGORY #8 PAINTING AND SPECIAL COATINGS Project No. 746.4	\$99,000- 156,213	06/24/92	4	\$ 99,000.00
ECKERT FIRE PROTECTION CINCINNATI, OH	CIVIL ENGINEERING BUILDING BID PACK #4 WORK CATEGORY #9 FIRE PROTECTION WORK Project No. 746.4	\$89,339- 146,600	06/23/92	5	\$ 89,339.00
AMTECK OF KENTUCKY, INC. LEXINGTON	CIVIL ENGINEERING BUILDING BID PACK #4 WORK CATEGORY #12 ELECTRICAL WORK Project No. 746.4	\$594,250- 663,000	06/23/92	5	\$ 594,250.00
LEXINGTON BUILDING SUPPLY LEXINGTON	CIVIL ENGINEERING BUILDING BID PACK #4 WORK CATEGORY #13 HOLLOW METAL WORK Project No. 746.4	\$23,206- 26,700	06/19/92	3	\$ 23,206.00
LEXINGTON BUILDING SUPPLY LEXINGTON	CIVIL ENGINEERING BUILDING BID PACK #4 WORK CATEGORY #14 FINISH HARDWARE Project No. 746.4	\$42,221- 53,200	06/19/92	3	\$ 42,221.00
ENGLISH PAVING CO., INC. VERSAILLES	CIVIL ENGINEERING BUILDING BID PACK #5 WORK CATEGORY #1 SITE UTILITIES Project No. 746.5	\$92,300- 169,400	09/30/92	3	\$ 92,300.00
WOODFORD BUILDERS, INC. LEXINGTON	CIVIL ENGINEERING BUILDING BID PACK #5 WORK CATEGORY #2 SITE IMPROVEMENTS Project No. 746.5	\$214,700- 314,100	09/30/92	3	\$ 214,700.00

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
DALTON MAINTENANCE, INC. MEDWAY, OH	CIVIL ENGINEERING BUILDING BID PACK #5 WORK CATEGORY #3 MOISTURE PROTECTION Project No. 746.5	\$77,107 97,590	10/13/92	2	\$ 77,107.00
SMITH & SCHAEFER, INC. CINCINNATI, OH	CIVIL ENGINEERING BUILDING BID PACK #5 WORK CATEGORY #4 CASEWORK/FURNISHINGS/BLINDS Project No. 746.5	\$644,040- 778,700	11/05/92	2	\$ 644,040.00
ENERGY CONSERVATION TECHNIQUES, INC. LOUISVILLE	CIVIL ENGINEERING BUILDING BID PACK #5 WORK CATEGORY #5 FUMEHOODS/FUMEHOOD CONTROLS/ BUILDING CONTROLS Project No. 746.5	\$342,000- 438,910	11/11/92	4	\$ 342,000.00
LANDMARK SPRINKLER, INC. LEXINGTON	CIVIL ENGINEERING BUILDING BID PACK #5 WORK CATEGORY #6 FIRE PROTECTION Project No. 746.5	\$49,980 64,281	09/30/92	3	\$ 49,980.00
CHARLES E. JARRELL CONTRACTING CO., INC. EARTH CITY, MO	CIVIL ENGINEERING BUILDING BID PACK #5 WORK CATEGORY #7 MECHANICAL/PLUMBING Project No. 746.5	\$1,507,000 1,888,000	10/13/92	6	\$ 1,507,000.00
AMTECK OF KY, INC. LEXINGTON	CIVIL ENGINEERING BUILDING BID PACK #5 WORK CATEGORY #8 ELECTRICAL Project No. 746.5	\$115,000- 252,656	09/30/92	5	\$ 115,000.00
FRANK MESSER & SONS CINCINNATI, OH	ANIMAL DIAGNOSTIC FACILITY Project No. 748.0	\$2,921,200- 2,948,200	10/19/92	4	\$ 2,921,200.00
Z & J CONSTRUCTION, INC. LEXINGTON	MEMORIAL COL. EXPANSION Project No. 752.0	\$159,465- 188,000	04/19/91	12	\$ 159,465.00
Previous Change Orders # 1 - 2					+ 8,752.15
Contractor's Revised Contract Amount To Date:					\$ 168,217.15

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
D-C ELEVATOR CO. LEXINGTON	MEDICAL SCIENCE FREIGHT ELEVATOR Project No. 758.0	\$63,868- 68,565	07/07/92	3	\$ 63,868.00
MARKSBURY-CORNETT LOUISVILLE	HOSPITAL SHELLLED SPACE FIT-UP- OBSTETRICS SERVICES Project No: 762.0	\$3,312,000 3,469,000	05/08/92	4	\$ 3,312,000.00
Previous Change Orders #1-8					+ 16,409.00
CHANGE ORDER #9	Relocate clocks indicated over doors on drawings to side wall above infant warmer.		10/14/92		+ 443.00
Reason for Change:	Clock would not fit above door, the size of the backbox cut away the studs which hold the door frame secure.				
CHANGE ORDER #10	Remove and dispose of 630 sq.ft. of thick set grout at the south wing third floor bath areas.		10/27/92		+ 1,834.00
Reason for Change:	Bath areas were recessed and leveled with thick set grout, existing drawings show removal of thin set tile from a level slab.				
Contractor's Revised Contract Amount To Date:					\$ 3,330,686.00
EUBANK & STEELE CONST. CO. LEXINGTON	DENTAL CLINIC RENOVATION Project No. 766.0	\$238,715 262,804	03/31/92	9	\$ 238,715.00
Previous Change Orders #1-8					+ 13,817.08
Contractor's Revised Contract Amount To Date:					\$ 252,532.08
E.C. MATTHEWS CO., INC. LEXINGTON	BUSINESS & ECONOMICS BUILDING-TRAINING ROOM 252 Project No. 775.3	\$13,997- 18,500	08/27/92	3	\$ 13,997.00
LAGCO, INC. LEXINGTON	HOSPITAL NURSING UNIT HVAC MODIFICATION I Project No. 777.0	\$450,196- 618,700	03/16/92	5	\$ 450,196.00
Previous Change Orders #1					- 2,795.86
CHANGE ORDER #2	Change the specified method of sealing duct joints to ductmate clamp for duct joints to be joined during 6 hour outages.		10/30/92		+ 1,712.51

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
LAGCO, INC. LEXINGTON	HOSPITAL NURSING UNIT HVAC MODIFICATION I Project No. 777.0				CONTINUED
Reason for Change:	Special conditions of project documents allow only 6 hours maximum for shut-down of equipment. In order to make the change over from existing system to new system, contractor must remove some existing ductwork & reinstall new larger ductwork. This will eliminate curing time required and allow contractor to meet maximum scheduled shut-down time.				
Contractor's Revised Contract Amount To Date:					\$ 449,118.65
SCOTTY'S CONTRACTING & STONE, INC. ELIZABETHTOWN	ELIZABETHTOWN COMM COLLEGE ACCESS DRIVE/HANDICAP Project No. 779.0	\$106,008 117,797	11/04/92	2	\$ 106,008.00
ASTROTURF INDUSTRIES DALTON, GA.	ATHLETIC OUTDOOR TRACK RESURFACING Project No. 782.0	\$129,100- 187,550	09/19/91	3	\$ 129,100.00
Previous Change Order # 1					+ 6,745.00
CONTRACTOR'S FINAL PAYMENT			11/06/92		\$ 135,845.00
PARKER CONSTRUCTION, INC. LEXINGTON	INFORMATION MANAGEMENT RENOVATION Project No. 784.0	\$97,700- 162,050	02/14/92	11	\$ 97,700.00
Previous Change Orders #1-5					+ 5,309.40
CONTRACTOR'S FINAL PAYMENT			10/27/92		\$ 103,009.40
CLEAVER CONST. CO., INC. MURRAY	PADUCAH COMM. COLLEGE WALLER HALL RENOVATION Project No. 785.0	\$177,835 187,307	07/01/92	3	\$ 177,835.00
CHANGE ORDER #1	1. Install metal studs and drywall above ceiling on existing CMU walls to provide one (1) fire rating around Chemical Storage Room. 2. Furnish and install 4 fire dampers at penetrations through walls around Chemical Storage Room.		10/29/92		+ 3,485.00

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
CLEAVER CONST. CO., INC. MURRAY	PADUCAH COMM. COLLEGE WALLER HALL RENOVATION Project No. 785.0				CONTINUED
Reason for Change:	1-2. Existing conditions were not indicated on provided documents. CMU walls were shown extended to underside of floor above.				
Contractor's Revised Contract Amount To Date:					\$ 181,320.00
A-B ROOFING CO., INC. LEXINGTON	E.S. GOOD BARN ROOF REPLACEMENT Project No. 791.0	\$124,924- 191,680	09/03/91	6	\$ 124,924.00
Previous Change Order #1					- 313.08
Contractor's Revised Contract Amount To Date:					\$ 124,610.92
K & I ASPHALT, INC. SELLERSBURG, IN	JEFFERSON C.C. (DT) NORTHEAST PARKING LOT Project No. 796.0	\$48,542- 71,777	03/10/92	5	\$ 48,542.00
Previous Change Orders #1					- 0 -
CONTRACTOR'S FINAL PAYMENT			12/04/92		\$ 48,542.00
MARKSBURY CORNETT ENG. LOUISVILLE	AMBULATORY SURGERY UPGRADE Project No. 798.0	\$884,100- 1,030,052	11/02/92	5	\$ 884,100.00
GENERAL FIREMATIC SPRINKLER CINCINNATI, OH	E.S. GOOD BARN SPRINKLERS Project No. 799.0	\$42,799- 48,884	11/20/91	6	\$ 42,799.00
Previous Change Orders #1					+ 4,733.71
Contractor's Revised Contract Amount To Date:					\$ 47,532.71
LANDMARK NORTH CAROLINA CORPORATION DUBLIN, OH	BLAZER HALL MASONRY REPAIRS Project No. 807.0	\$51,300- 89,846	06/15/92	3	\$ 51,300.00
CHANGE ORDER #1	Add to contract removal, cutting and replacement of shelf angle.		10/27/92		+ 1,158.32
Reason for Change:	Concealed field condition. Existing concrete edge beam was bowed out which necessitated the cutting of the horizontal leg of the steel shelf angle to avoid it's projecting beyond the face of the brick.				

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
LANDMARK NORTH CAROLINA CORPORATION DUBLIN, OH	BLAZER HALL MASONRY REPAIRS Project No. 807.0				CONTINUED
CONTRACTOR'S FINAL PAYMENT			12/04/92		\$ 52,458.32
H&N CONSTRUCTORS, INC. LOUISVILLE	SHAWNEETOWN KITCHEN RENOVATION-BLDGS A B & C Project No. 885.0	\$125,870- 174,681	06/15/92	7	\$ 125,870.00
PARSONS ELECTRIC, INC. LEXINGTON	BOYD HALL ELECTRICAL & LIGHTING Project No. 887.0	\$65,900- 94,349	06/18/92	3	\$ 65,900.00
Previous Change Orders #1-2					+ 185.10
CONTRACTOR'S FINAL PAYMENT			10/13/92		\$ 65,714.90
S.C. NEAL ELECTRICAL CONTR. GEORGETOWN	JEWELL HALL FIRE ALARM Project No. 888.0	\$49,000- 74,980	06/10/92	3	\$ 49,000.00
Previous Change Order #1					+ 261.00
CHANGE ORDER #2	Provide three (3) additional heat detectors in mechanical room and one (1) in 2nd Floor Janitor's office.		11/17/92		+ 818.00
Reason for Change:	Original Mechanical Room schedule for sprinkler installation by UK made detector installation unnecessary. Sprinklers were not installed and detectors are now required by code.				
Contractor's Revised Contract Amount To Date:					\$ 50,079.00
JO-DEL, INC. HUNTINGTON, WV	ASHLAND COMM. COLLEGE CLASSROOM RENOVATION Project No. 891.0	\$135,492 169,800	09/10/92	8	\$ 135,492.00
CHANGE ORDER #1	Furnish and install three (3) autoclosers for doors F.H. & J. per stated unit cost in proposal (\$260. each).		10/20/92		+ 780.00

II. CONSTRUCTION CONTRACTS

CONTRACTOR	PROJECT	BID RANGE	AWARD DATE	NO. OF BIDDERS	CONTRACT PRICE
JO-DEL, INC. HUNTINGTON, WV	ASHLAND COMM. COLLEGE CLASSROOM RENOVATION Project No. 891.0				CONTINUED
Reason for Change:	Required by Department of Housing, Buildings and Code Enforcement for Storage Room 407A. Consultants had been directed to omit all autoclosers because a variance had been obtained from state. Upon final review, the state approved the omission of all autoclosers except for the Storgae Room.				
Contractor's Revised Contract Amount To Date:					\$ 136,272.00
THE WAGNER COMPANY LEXINGTON	HOSPITAL DIAGNOSTIC SERVICES II Project No. 899.0	\$94,281- 114,900	10/14/92	5	\$ 94,281.00
CHANGE ORDER #1	Saw cut existing concrete slab in Men's Toilet 101 and Women's Toilet 102, approximately 30 linear feet to allow removal of settled area.		11/18/92		+ 1,257.00
Reason for Change:	Existing fill under slab had settled. New slab will provide level surface and doweled connection will prevent differential settlement.				
Contractor's Revised Contract Amount To Date:					\$ 95,538.00
ELLIOTT GLASS, INC. PIKEVILLE	PRESTONSBURG COMM. COLLEGE HANDICAPPED DOOR OPERATORS Project No. 1409.0	\$22,900- 23,400	10/05/92	2	\$ 22,900.00
SPARKS TERRELL LUMBER CO. LEXINGTON	HOSPITAL-MARKEY CANCER CENTER ROACH PATIENT CARE FACILITY Project No. 1410.0	\$325,515- 394,800	12/09/92	10	\$ 325,515.00
THE ALLEN CO. WINCHESTER	COMMONWEALTH STADIUM BLUE LOT Project No. 1414.0	\$200,396- 234,622	06/15/92	3	\$ 200,396.00
JIM SMITH CONTRACTING CO. GRAND RIVERS	PADUCAH COMM. COLLEGE PARKING LOT Project No. 1415.0	\$133,034- 160,348	10/20/92	4	\$ 133,034.88
CHANGE ORDER #1	Add 20 additional parking spaces.		12/07/92		+ 5,956.00

II. CONSTRUCTION CONTRACTS

<u>CONTRACTOR</u>	<u>PROJECT</u>	<u>BID RANGE</u>	<u>AWARD DATE</u>	<u>NO. OF BIDDERS</u>	<u>CONTRACT PRICE</u>
JIM SMITH CONTRACTING CO. GRAND RIVERS	PADUCAH COMM. COLLEGE PARKING LOT Project No. 1415.0				CONTINUED
Reason for Change:		This change was requested by the college to add the additional spaces now since the unit price was lower than anticipated, therefore adding these spaces in the future could be significantly higher.			
Contractor's Revised Contract Amount To Date:					\$ 138,990.88
NEW VISIONS CONST. CO., INC. LEXINGTON	RETENTION POND Project No. 1416.0	\$21,731- 46,445	08/19/92	3	\$ 21,731.40
CONTRACTOR'S FINAL PAYMENT			11/30/92		\$ 21,731.40
VERVILLE CONST. CO., INC. MAYSVILLE	MAYSVILLE COMM COLLEGE CLASSROOM RENOVATION Project No. 1417.0	\$27,473	07/28/92	1	\$ 27,473.34
Previous Change Order #1					+ 91.44
CONTRACTOR'S FINAL PAYMENT			11/12/92		\$ 27,966.72
P & R ROOFING AND SHEET METAL, INC. LEXINGTON	CAER ROOF REPLACEMENT Project No. 1422.0	\$15,175- 20,849	09/16/92	4	\$ 15,175.00
CONTRACTOR'S FINAL PAYMENT			12/04/92		\$ 15,175.00
NORWOOD CONST. CO., INC. LEXINGTON	MEDICAL CENTER CLINICAL PARKING LOT/FORESTRY BUILDING DEMOLITION Project No. 1425.0	\$139,994- 197,470	07/20/92	2	\$ 139,994.00
CRI, INC. LOUISVILLE	PRESTONSBURG COMM COLLEGE JOHNSON BUILDING CHILLER REPLACEMENT Project No. 1428.0	\$63,950- 90,629	11/16/92	6	\$ 63,950.00
T&C CONSTRUCTION CO. PIKEVILLE	MAYSVILLE COMM. COLLEGE PHASE II BRICK REPLACEMENT Project No. 1431.0	\$28,827- 38,550	10/20/92	4	\$ 28,827.00

II. CONSTRUCTION CONTRACTS

<u>CONTRACTOR</u>	<u>PROJECT</u>	<u>BID RANGE</u>	<u>AWARD DATE</u>	<u>NO. OF BIDDERS</u>	<u>CONTRACT PRICE</u>
THE ALLEN CO. WINCHESTER	TENNIS CENTER PARKING LOT Project No. 1442.0	\$47,229- 61,641	10/23/92	3	\$ 47,229.00
CHANGE ORDER #1	Raise elevation of sidewalk one foot.		11/19/92		+ 1,250.00
Reason for Change:	The grade in the field did not match the grade on the survey. They differ by about one foot. This causes a hazardous condition where the top of the catch basin and the sidewalk come within two feet of the other. Raising the sidewalk will allow for the grade change.				
Contractor's Revised Contract Amount To Date:					\$ 48,479.00

Office of the President
January 19, 1993

FCR 3

Members, Board of Trustees:

APPROVAL OF LEASE

Recommendation: that the Vice President for Administration be authorized to enter into a lease between Hazard Community College and the City of Hazard, City Hall, Hazard, Kentucky 41701, for space located in the old Hazard Post Office, Main Street, Hazard, Kentucky 41701, effective January 19, 1993 through December 31, 1993, for use as office/classroom space, at an annual rate of \$75,130.00.

Background: KRS 56.805 permits the leasing of space in a building owned by the federal government, by a political subdivision or municipal corporation of the Commonwealth without advertising.

Action taken: Approved ✓ Disapproved _____ Other _____

Date: January 19, 1993

FCR 4

Members, Board of Trustees:

1992-93 Budget Revisions
Central Administration

Recommendation: that the following revisions in the 1992-93 budget be authorized and approved.

	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Change</u>
A. GENERAL FUND			
1. Income Estimates			
Student Fees			
Self-Supporting			
Off-Campus and Weekend			
Instruction -			
Community College System	\$ 4,350,200	\$ 4,425,200	\$ 75,000
Noncredit Fees	8,030,800	8,349,800	319,000
Federal Appropriations			
Agricultural Cooperative Extension	9,615,000	9,651,000	36,000
Gifts and Grants			
Federal - Agriculture	699,000	730,900	31,900
Other Gifts and Grants	2,441,500	2,705,000	263,500
Sales and Services			
Departmental Sales and Services	14,875,400	15,308,600	433,200
			\$ 1,158,600
2. Expenditures			
Central Administration			
Information Systems			
Vice President for			
Information Systems	\$ 301,800	\$ 300,400	\$ (1,400)
Research and Graduate Studies			
Academic Affairs			
Kentucky Geological Survey -			
Program Support	1,766,000	1,810,300	44,300
Academic Support			
Vice President for Research			
and Graduate Studies	361,100	518,600	157,500

	Approved <u>Budget</u>	Revised <u>Budget</u>	<u>Change</u>
A. <u>GENERAL FUND</u> (continued)			
2. Expenditures (continued)			
Community College System			
Central Administration	\$ 1,929,100	\$ 1,957,000	\$ 27,900
Ashland	5,709,600	5,759,600	50,000
Hazard	4,246,100	4,321,100	75,000
Jefferson	16,911,100	16,912,100	1,000
Lexington	9,197,200	9,407,200	210,000
Madisonville	4,794,100	4,897,400	103,300
Somerset	5,260,700	5,295,700	35,000
Southeast	4,338,400	4,363,400	25,000
Lexington Campus			
Agricultural Cooperative			
Extension Service			
Agricultural Economics	1,585,400	1,568,700	(16,700)
Entomology	542,000	626,500	84,500
College of Arts and Sciences			
School of Biological Sciences	2,409,100	2,414,100	5,000
College of Business and Economics			
Center for Business and			
Economic Research	283,300	301,300	18,000
College of Fine Arts			
Administration	374,500	386,500	12,000
Nonrecurring			
Capital Funds	512,100	648,100	136,000
Program Funds	1,311,200	1,417,300	106,100
Medical Center			
College of Dentistry			
Department of Oral Health			
Practice	3,715,300	3,731,400	16,100
College of Medicine			
Psychiatry	1,306,800	1,376,800	70,000
			\$ 1,158,600

3. Comments - The increase in off-campus and weekend fees for the Community College System supports those programs at Hazard Community College. The increase in noncredit fees supports business and industry training demands at Ashland, Lexington, and Somerset community colleges, and continuing education programs at Southeast Community College and in the Lexington Campus College of Fine Arts. The increase in the Federal Appropriations supports the Agricultural Cooperative Extension's Entomology program. The increase in the Federal Agriculture Gifts and Grants supports the Agricultural Cooperative Extension's Entomology program. There was a net decrease in the federal gifts and grants supporting the Agricultural Cooperative Extension Services' Agricultural Economics program. Other gifts and grants (balances from fixed price contracts) will support research programs in Lexington Campus and Research and Graduate Studies.

Programs supported by increased departmental sales and services are the water laboratory analysis program in the Kentucky Geological Survey; Fine Arts Center programming and student activities at Madisonville Community College; the library equipment at Jefferson Community College; Business and Industry Training at Lexington Community College; research support in the School of Biological Sciences; projects in the Center for Business and Economic Research; the Fine Arts Institute in the College of Fine Arts; building renovation and equipment replacement to be supported by insurance proceeds for theft, fire and flood damages; and programs in the Psychiatry Department in the College of Medicine and in the College of Dentistry. Decreased sales and services resulted from the Information Service's Information Expo not being held this year.

	Approved <u>Budget</u>	Revised <u>Budget</u>	Change
B. <u>RESTRICTED FUNDS</u>			
1. Income Estimates	\$ 62,299,200	\$ 62,520,100	\$ 220,900
2. Expenditures			
Community College System			
Hazard	\$ 192,200	\$ 362,200	\$ 170,000
Lexington Campus			
Agricultural Experiment Station			
Agronomy	880,200	885,200	5,000
Entomology	229,600	245,800	16,200
Chancellor			
Scholarships	25,000	25,200	200
Medical Center			
College of Dentistry			
Department of Oral Health Practice	81,700	84,900	3,200
College of Medicine			
Neurology	91,700	91,900	200
Pediatrics	145,900	170,000	24,100
Rehabilitation Medicine	1,500	3,500	2,000
			\$ 220,900
3. <u>Comments</u> - Income restricted for the purposes indicated above will fund the proposed additional program activities.			

	Approved <u>Budget</u>	Revised <u>Budget</u>	Change
C. <u>AUXILIARY SERVICES</u>			
1. Income Estimates	\$ 36,116,000	\$ 36,243,400	\$ 127,400
2. Expenditures			
Community College System			
Hopkinsville	\$ 547,600	\$ 600,000	\$ 52,400
Madisonville	546,900	581,900	35,000
Southeast	530,000	570,000	40,000
			\$ 127,400
3. <u>Comments</u> - The proposed expenditure increases will be supported by additional income generated by the respective auxiliary operations.			

Action taken: Approved ☒ Disapproved ☐ Other ☐

Date: January 19, 1993

Office of the President
January 19, 1993

FCR 5

Members, Board of Trustees:

ACCEPTANCE OF GIFT FROM
THE W. BRUCE LUNSFORD FOUNDATION AND VENCOR, INC.

Recommendation: that the Board of Trustees accept a gift of \$300,000 from the W. Bruce Lunsford Foundation and Vencor, Inc. to the Commonwealth Library Campaign and the Sanders-Brown Center on Aging.

Background: The University of Kentucky received a commitment of \$300,000 to the Commonwealth Library Campaign and the Sanders-Brown Center on Aging. A gift of \$200,000 for the Library Campaign will be applied to the building fund for the new Commonwealth Library. A gift of \$100,000 to the Sanders-Brown Center on Aging will be applied to the building campaign for new clinical research and educational facilities.

Action taken: Approved ☒ Disapproved ☐ Other ☐

Date: January 19, 1993

Office of the President
January 19, 1993

FCR 6

Members, Board of Trustees:

ACCEPTANCE OF GIFT FROM
THE KNIGHT FOUNDATION

Recommendation: that the Board of Trustees accept a gift of \$200,000 from the Knight Foundation to the Commonwealth Library Campaign.

Background: The University of Kentucky received a commitment of \$200,000 to the Commonwealth Library Campaign. \$100,000 of the gift will be applied to the building fund for the new Commonwealth Library. The remaining \$100,000 will be applied to the National Endowment for the Humanities Book Endowment Fund.

Action taken: Approved ☒ Disapproved ☐ Other ☐

Date: January 19, 1993

Office of the President
January 19, 1993

FCR 7

Members, Board of Trustees:

ESTABLISHMENT OF QUASI-ENDOWMENT FOR THE
DORIS HATCHELL MEMORIAL FUND

Recommendation: that the Board of Trustees approve the establishment of a quasi-endowment fund from funds received as a bequest from the estate of Ernest Hatchell of Lawrenceburg, Kentucky, to be known as the "Doris Hatchell Memorial Nursing Scholarship Fund."

Background: On December 4, 1992, the University of Kentucky received a check in the amount of \$76,460.99 from the estate of Ernest Hatchell which represents a bequest to the University's College of Nursing to be used for nursing scholarships. Mr. Hatchell established this fund in memory of his daughter, Doris, who was a nurse. The earnings from this quasi-endowment fund are to be used for scholarships for College of Nursing students.

Action taken: Approved ☒ Disapproved ☐ Other ☐

Date: January 19, 1993

Office of the President
January 19, 1993

FCR 8

Members, Board of Trustees:

RESOLUTION OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY APPROVING THE REPORT OF THE DIRECTOR, AUXILIARY SERVICES, UNIVERSITY OF KENTUCKY, RELATING TO THE PHYSICAL INSPECTION OF THE HOUSING AND DINING BUILDINGS AND APPURTENANT FACILITIES OF THE UNIVERSITY'S HOUSING AND DINING SYSTEM.

Recommendation: that the Board of Trustees approve the report of the Director, Auxiliary Services, dated January 19, 1993, reciting inspection of the Housing and Dining buildings and appurtenant facilities of the University's Housing and Dining System, said report stating that such inspection shows that the Housing and Dining System is in good and current state of tenantability and repair.

Background: On December 8, 1992, the Board of Trustees approved a Resolution authorizing the issuance of \$2,866,000 of University of Kentucky Housing and Dining System Revenue Bonds, Series M, dated January 1, 1993, for the purpose of paying the cost of renovations and improvements to the housing and dining facilities of the University.

The Board will, in this meeting, award the Series M Bonds to the bidder submitting the bid with the lowest interest cost.

One of the conditions set forth in the Board's June 1, 1965, Trust Indenture with Farmers Bank & Capital Trust Company, Frankfort, Kentucky, as trustee, creating and establishing the issue of "Housing and Dining System Revenue Bonds" is that each Series of bonds may rank on a basis of parity as to security and source of payment with all previously issued bonds only if there is a written report made by a proper member of the University's staff approved by the President and submitted to and approved by the Board showing that there has been a physical inspection of all of the facilities of the system and that they are found to be in a good and tenantable state of repair, ordinary wear and tear excepted. Such a certificate was made and approved by the Board prior to each of the previous bond issues and it is now appropriate and necessary that the same step be updated for the Series M Bonds.

Action: Approved ☒ Disapproved ☐ Other ☐

Dated: January 19, 1993

RESOLUTION APPROVING THE REPORT OF THE DIRECTOR,
AUXILIARY SERVICES, UNIVERSITY OF KENTUCKY,
RELATING TO THE PHYSICAL INSPECTION OF THE
HOUSING AND DINING BUILDINGS AND APPURTENANT
FACILITIES OF THE UNIVERSITY'S HOUSING AND
DINING SYSTEM.

WHEREAS, the Board of Trustees of the University of Kentucky (the "Board"), by Resolution passed and adopted on December 8, 1992, authorized the issuance and sale of \$2,866,000 principal amount of "University of Kentucky Housing and Dining System Revenue Bonds, Series M," dated January 1, 1993 (the "Series M Bonds"), in accordance with the terms and conditions of a certain Fifth Supplemental Trust Indenture dated as of January 1, 1993, by and between the Board and Farmers Bank & Capital Trust Company, Frankfort, Kentucky, as Trustee, and

WHEREAS, under the terms of a Trust Indenture dated June 1, 1965, by and between the Board and the Trustee, setting forth the terms and conditions upon which all of the University's Housing and Dining System Revenue Bonds are to be issued and outstanding, it is required that each Series of Bonds may rank on the basis of parity as to security and source of payment with all previously issued Bonds only if there is a written report, made by a proper member of the University's staff, approved by the President, and submitted to and approved by the Board, showing that there has been a physical inspection of all the facilities constituting the Housing and Dining System and that said facilities are found to be in good and tenantable state of repair, ordinary wear and tear excepted, and

WHEREAS, there has been filed with the Board a Report prepared by the University's Director of Auxiliary Services, which Report has been considered by the Board.

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

That the Report of Allen Rieman, Director, Auxiliary Services of the University, relating to the physical inspection of the Housing and Dining Buildings and appurtenant facilities of the University's Housing and Dining System having been considered by the Board, said Report is hereby accepted and approved in accordance with the provisions of Section 1101(c) of the Trust Indenture dated June 1, 1965, said acceptance and approval constituting a condition precedent to the issuance of the Series M Bonds.

That this Resolution shall be in full force from and after its adoption.

Adopted by the Board of Trustees of the University of Kentucky at a properly convened meeting held on January 19, 1993.

(Seal)

Edward T. Breathitt
Chairman

Attest:

Lois C. Weinberg
Secretary

CERTIFICATE OF SECRETARY

I, the undersigned, the duly qualified and acting Secretary of the Board of Trustees of the University of Kentucky, certify that the foregoing is a true copy of a Resolution adopted by said Board at a regularly convened meeting held on January 19, 1993, and that said Resolution is now in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand this 19th day of January, 1993.

Lois C. Weinberg
Secretary

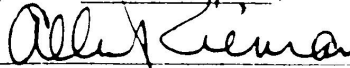
RE: \$2,866,000 University of Kentucky Housing and Dining
System Revenue Bonds, Series M, dated January 1,
1993

CERTIFICATE WITH REFERENCE TO THE ISSUANCE OF
HOUSING AND DINING SYSTEM REVENUE BONDS, SERIES
M, CONFORMING TO THE REQUIREMENTS OF SECTION
1101 (c) OF ARTICLE XI OF THE TRUST INDENTURE
DATED JUNE 1, 1965, BETWEEN THE BOARD OF
TRUSTEES OF THE UNIVERSITY OF KENTUCKY AND
FARMERS BANK & CAPITAL TRUST COMPANY,
FRANKFORT, KENTUCKY, AS TRUSTEE, SHOWING
COMPLIANCE WITH CONDITIONS FOR ISSUANCE OF
PARITY BONDS

The undersigned, Allen Rieman, Director of Auxiliary
Services of University of Kentucky, Lexington, Kentucky, hereby
makes the following certification for the purpose of showing
compliance by said University with the requirements of Section
1101(c) OF ARTICLE XI of the Trust Indenture dated June 1, 1965,
made by the Board of Trustees of the University of Kentucky with
Farmers Bank & Capital Trust Company, Frankfort, Kentucky, Trustee
(the "Trust Indenture" or the "Indenture"), with reference to the
issuance of \$2,866,000 of said Board's "Housing and Dining System
Revenue Bonds, Series M" in order to qualify the Series M Bonds to
rank on a basis of parity and equality as to security and source of
payment with the previously issued and outstanding Housing and
Dining System Revenue Bonds, Series B, C, D, E, F, G, I, J, K and
L:

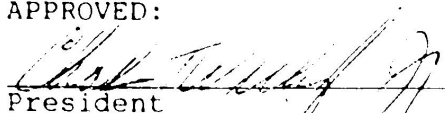
In my capacity as the employee of the Board and the
University at this time principally charged with responsibility for
the maintenance and repair of the housing and dining buildings and
appurtenant facilities comprising the presently existing housing
and dining facilities of the System, I certify that a physical
inspection of said housing and dining buildings and appurtenant
facilities of the System has been made, and that the same are in a
good and current state of tenantability and repair there being no
exceptions or reservations in this connection.

IN TESTIMONY WHEREOF, witness my signature as Director of
Auxiliary Services, this 19 day of JANUARY, 1993.



Director of Auxiliary Services

APPROVED:



President

University of Kentucky

Certified to have been submitted to and approved by the
Board of Trustees at a meeting held on January 19, 1993.



Secretary, Board of Trustees
University of Kentucky



Office of the Director
Auxiliary Services

Lexington Campus
218 Peterson Service Building
University of Kentucky
Lexington, Kentucky 40506-0005
606-257-5849

January 5, 1993

TO: Dr. Charles T. Wethington, Jr. President: and
Chairman and Members of the Board of Trustees
of the University of Kentucky, Lexington, Kentucky

FROM: Allen R. Rieman
Director, Auxiliary Services

SUBJECT: Report of Physical Inspection of the Housing and
Dining Buildings and Appurtenant Facilities of the
University's Housing and Dining System

It has been brought to my attention in connection with the Housing and Dining System Revenue Bond Anticipation Notes, Series M, that "Section 1101 (c)" of the Trust Indenture of June 1, 1965, requires as a condition precedent that there be filed with the Trustee a certificate signed by the officer, agent or employee of the Board principally charged with responsibility for the maintenance and repair of the buildings and facilities comprising the Housing and Dining System, approved by the President of the University and by Resolution of the Board, showing that a physical inspection of such buildings and facilities has been made and that they are found to be in a good and current state of tenantability and repair, subject only to exceptions for matters scheduled to be corrected and for which budgeted money is available.

As Director of Auxiliary Services, I am the officer charged with such responsibility, and this report is submitted responsive to the requirements of the Trust Indenture.

The Maintenance Staff of the University is adequate and is so equipped and stocked that it is able to keep abreast of observed and reported structural and mechanical defects and failures on a prompt and regular basis. Inspections of roofs, tuck pointing, floors, stairways, elevators, heating and air-conditioning systems and the like are on a scheduled basis according to their useful life anticipation, and budgeted funds are such that renewals and replacements are a part of an active, continuing program. Movable furnishings and fixtures are repaired and replaced on a regular basis.

Dr. Charles T. Wethington, Jr.
Page Two

My most recent periodic review of the records of my office together with routine and scheduled inspections of buildings and facilities show that the Housing and Dining System is in a good and current state of tenantability and repair. The only exceptions to report are the renovation items scheduled to be completed with the funds received from the United States Department of Education Loan. There are no other exceptions to report other than those routine and ordinary matters which are constantly receiving attention from day to day and for which budget provisions have adequately been made.

Respectfully submitted,



Allen R. Rieman
Director, Auxiliary Services

APPROVED:


President of the University

APPROVED by Resolution of the Board of
Trustees at a meeting held on January 19, 1993


Chairman, Board of Trustees

Office of the President
January 19, 1993

FCR 9

Members, Board of Trustees:

RESOLUTION OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF
KENTUCKY ACCEPTING THE SUCCESSFUL BID FOR THE PURCHASE
OF UNIVERSITY OF KENTUCKY HOUSING AND DINING SYSTEM
REVENUE BONDS, SERIES M

Recommendation: (i) that the Board of Trustees approve a Resolution accepting the successful bid of U. S. Department of Education with reference to the sale of the \$2,866,000 of University of Kentucky Housing and Dining System Revenue Bonds, Series M, dated January 1, 1993, at a net interest cost of 5.5%; (ii) that the Board of Trustees approve the form of Statement of Essential Facts as prepared by Rubin Hays & Foley, Bond Counsel to the Board of Trustees.

Background: On December 8, 1992, the Board of Trustees approved a Resolution authorizing the issuance of \$2,866,000 of University of Kentucky Housing and Dining System Revenue Bonds, Series M, dated January 1, 1993. Said Resolution also authorized the public advertising for sealed, competitive bids to be received on January 19, 1993. Bids were received by the Controller & Treasurer, tabulated by Rubin Hays & Foley, Bond Counsel for the bonds, and reported to the Finance Committee. The recommended bid is the lowest net interest cost to the University.

One bid was received and tabulated as follows:

U.S. Department of Education	5.5%
------------------------------	------

Action: Approved ✓ Disapproved _____ Other _____

Dated: January 19, 1993

RESOLUTION

RESOLUTION OF THE BOARD OF TRUSTEES OF UNIVERSITY OF
KENTUCKY ACCEPTING THE SUCCESSFUL BID FOR THE PURCHASE OF
UNIVERSITY OF KENTUCKY HOUSING AND DINING SYSTEM REVENUE
BONDS, SERIES M.

WHEREAS, pursuant to a resolution of the Board of Trustees (the "Board") adopted on December 8, 1992, the Board authorized the advertisement for sale of the University of Kentucky Housing and Dining System Revenue Bonds, Series M, dated January 1, 1993 (the "Series M Bonds"), and the receipt of bids for the Series M Bonds at such time and date designated by the Treasurer of the University, which time and date have been designated as 10:00 A.M., on January 19, 1993, and the acceptance of the lowest and best bid received; and

WHEREAS, notice of the sale of \$2,866,000 principal amount of University of Kentucky Housing and Dining System Revenue Bonds, Series M, has heretofore been advertised in strict compliance with all legal requirements; and

WHEREAS, all bids received for the purchase of said Bonds from the Board of Trustees have been duly considered and are as follows:

<u>BIDDERS</u>	<u>INTEREST RATES</u>	AMOUNTS BID FOR SAID \$2,866,000 PRINCIPAL AMOUNT OF BONDS, PLUS ACCRUED INTEREST FROM <u>JANUARY 1, 1993</u>	<u>INTEREST COST</u>
U. S. Department of Education	5.5%	\$2,866,000	5.5%

WHEREAS, the matter of which bid is the most advantageous and with the most favorable net interest cost to the Board has been sufficiently considered.

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

Section 1. That the bid of U.S. Department of Education for the purchase of \$ 2,866,000 principal amount of University of Kentucky Housing and Dining System Revenue Bonds, Series M, dated January 1, 1993, be accepted and confirmed, said bid being at a price of \$ 2,866,000 for said \$ 2,866,000 of Bonds, plus accrued interest from January 1, 1993, to the date of delivery of the Bonds, such interest to be payable semiannually and at the following annual rates:

<u>Maturity</u> <u>June 1,</u>	<u>Amount</u>	<u>Rate</u>	<u>Maturity</u> <u>June 1,</u>	<u>Amount</u>	<u>Rate</u>	<u>Maturity</u> <u>June 1,</u>	<u>Amount</u>	<u>Rate</u>
1994	\$40,000	5.5%	2004	\$70,000	5.5%	2014	\$115,000	5.5%
1995	40,000	5.5%	2005	75,000	5.5%	2015	120,000	5.5%
1996	45,000	5.5%	2006	75,000	5.5%	2016	125,000	5.5%
1997	50,000	5.5%	2007	80,000	5.5%	2017	130,000	5.5%
1998	50,000	5.5%	2008	85,000	5.5%	2018	140,000	5.5%
1999	55,000	5.5%	2009	90,000	5.5%	2019	145,000	5.5%
2000	60,000	5.5%	2010	95,000	5.5%	2020	155,000	5.5%
2001	60,000	5.5%	2011	100,000	5.5%	2021	165,000	5.5%
2002	65,000	5.5%	2012	105,000	5.5%	2022	175,000	5.5%
2003	65,000	5.5%	2013	110,000	5.5%	2023	181,000	5.5%

and being a bid at a net interest cost to the Board of 5.5 % per annum; and said bid is hereby determined to be the best bid with the most favorable net interest cost to the Board for said Bonds; and the interest rates on said Bonds are hereby fixed at the rates set out in said successful bid.

Section 3. That all other bids are hereby rejected, and the Treasurer of the Board is ordered to deposit the good faith check of the successful purchaser in accordance with the published Notice of Bond Sale and the Official Terms and Conditions of Sale of Bonds, and to return the other checks to the respective unsuccessful bidders immediately.

Section 4. That said Bonds shall be delivered by the Chairman of the Board of Trustees and/or other proper officers of the Board to said purchaser as soon as the Series M Bonds are printed and ready for delivery in accordance with the Resolution authorizing the issuance of said Series M Bonds, and all of the proceeds of the Series M Bonds shall be used only as provided in the Fifth Supplemental Trust Indenture referred to in said Resolution.

Section 5. That said bid is accepted subject to the condition that such acceptance subjects the Board to no obligation to deliver the Bonds if for any reason the Board is unable to obtain the final approving legal opinion of the firm of Rubin Hays & Foley, Municipal Bond Attorneys, Louisville, Kentucky, as to said Series M Bonds, or if said Series M Bonds shall be subject to ad valorem taxation by the Commonwealth of Kentucky, or if the receipt of interest on said Series M Bonds shall be subject to income taxation by the federal government or by the Commonwealth of Kentucky, prior to or on the delivery date of said Series

M Bonds, and the purchaser shall not be required to take delivery of said Series M Bonds without the final approving opinion of said attorneys accompanying said Bonds, or if said Bonds or the interest thereon shall become subject to such ad valorem or income taxation prior to such delivery date.

Adopted on January 19, 1993.

Lois C. Weinberg
Secretary

Edward T. Breathitt
Chairman

CERTIFICATE

I, Lois Weinberg, hereby certify that I am the duly qualified and acting Secretary of the Board of Trustees of University of Kentucky, Lexington, Kentucky, that the foregoing is a full, true and correct copy of a Resolution adopted by the Board of Trustees of said University of Kentucky at a meeting duly held on January 19, 1993, and that said Resolution has been duly recorded in the Minute Book of said Board.

Lois C. Weinberg
Secretary, Board of Trustees

STATEMENT OF ESSENTIAL FACTS DATED JANUARY 1, 1993

NEW ISSUE

In the opinion of Bond Counsel, under existing law, regulations and court decisions, interest on the Bonds is not includable in gross income for present Federal and Kentucky income tax purposes assuming compliance by the University with certain tax covenants and the Bonds are exempt from all ad valorem taxes in the Commonwealth of Kentucky. For a more complete statement with reference to the foregoing, see "Tax Exemption" and "Special Tax Exemption" herein.

\$2,866,000
UNIVERSITY OF KENTUCKY
HOUSING AND DINING SYSTEM REVENUE BONDS
SERIES M

Dated January 1, 1993

Due June 1, as shown below

Interest payable on June 1, 1993, and semiannually thereafter on December 1 and June 1. The Bonds are issued in fully registered form in denominations of \$5,000 and/or \$1,000 or integral multiples thereof. Interest on the Bonds is payable by check mailed by Farmers Bank & Capital Trust Company, Frankfort, Kentucky, Registrar, Trustee and Paying Agent, to each Bondowner of record as of the 15th day of the month preceding the due date by regular United States mail. Principal shall be paid upon submission of matured or called bond certificate(s) to the Paying Agent at its principal office in Frankfort, Kentucky. Any bond is transferable without expense to the Bondowner upon presentation of such Bond and proper endorsement at the principal office of the Registrar.

Proceeds of the Bonds will be used for the purpose of paying the costs to the extent not otherwise provided of renovations and improvements to the housing and dining facilities of University of Kentucky.

SCHEDULE OF MATURITIES

<u>Maturity</u> <u>June 1,</u>	<u>Amount</u>	<u>Rate</u>	<u>Maturity</u> <u>June 1,</u>	<u>Amount</u>	<u>Rate</u>	<u>Maturity</u> <u>June 1,</u>	<u>Amount</u>	<u>Rate</u>
1994	\$ 40,000	_____ %	2004	\$ 70,000	_____ %	2014	\$115,000	_____ %
1995	40,000	_____ %	2005	75,000	_____ %	2015	120,000	_____ %
1996	45,000	_____ %	2006	75,000	_____ %	2016	125,000	_____ %
1997	50,000	_____ %	2007	80,000	_____ %	2017	130,000	_____ %
1998	50,000	_____ %	2008	85,000	_____ %	2018	140,000	_____ %
1999	55,000	_____ %	2009	90,000	_____ %	2019	145,000	_____ %
2000	60,000	_____ %	2010	95,000	_____ %	2020	155,000	_____ %
2001	60,000	_____ %	2011	100,000	_____ %	2021	165,000	_____ %
2002	65,000	_____ %	2012	105,000	_____ %	2022	175,000	_____ %
2003	65,000	_____ %	2013	110,000	_____ %	2023	181,000	_____ %

(Plus Accrued Interest from January 1, 1993)

The Bonds are subject to redemption prior to maturity as described herein.

The Bonds are issued pursuant to authority contained in Sections 162.340 through 162.380, and Sections 58.010 through 58.140 of the Kentucky Revised Statutes and in accordance with the Trust Indenture between the Board of Trustees of University of Kentucky and Farmers Bank & Capital Trust Company, Frankfort, Kentucky, and Amendatory Trust Indenture, dated June 1, 1965, and as supplemented by the Fifth Supplemental Trust Indenture dated January 1, 1993.

The Bonds are issued and secured on a parity with the outstanding Series B, C, D, E, F, G, I, J, K and L Bonds previously issued pursuant to the Trust Indenture dated June 1, 1965. All of such Series of Bonds, the Series M Bonds and any bonds issued on a parity therewith in the future, are payable solely from certain defined Revenues derived by the University from the operation of its Housing and Dining System. As further security for the Bonds, a statutory mortgage lien upon the Housing and Dining System is created and granted by Sections 162.200 and 162.350 of the Kentucky Revised Statutes.

The Bonds constitute special limited obligations of the Board of Trustees of the University of Kentucky and do not constitute a debt, liability or obligation of the Commonwealth of Kentucky nor a pledge of the faith and credit of the Commonwealth. Principal of, premium, if any, and interest on the Bonds are payable solely from the Revenues of the Housing and Dining System described herein.

The Series M Bonds are issued subject to the approval of legality by Rubin Hays & Foley, Louisville, Kentucky, Bond Counsel to the University.

UNIVERSITY OF KENTUCKY

Board of Trustees

Edward T. Breathitt	Chairman
Paul W. Chellgren	Member
Robert N. Clay	Member
Lois Weinberg	Secretary
James F. Hardyman	Member
Henry L. Jackson	Member
Robert P. Meriwether, M.D.	Member
Dr. Eliasa Plattner	Member
James L. Rose	Member
C. Frank Shoop	Member
William B. Sturgill	Member
Daniel C. Ulmer, Jr.	Member
Billy Wilcoxson	Member
Kay Shropshire Bell	Member
Marian Moore Sims	Member
Henry R. Wilhoit, Jr.	Member
Professor Carolyn S. Bratt	Faculty Member
Professor Deborah Powell, M.D.	Faculty Member
Professor John Sistarenik	Faculty Member
Pete November	Student Member

BOND COUNSEL

Rubin Hays & Foley
Louisville, Kentucky

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STATEMENT OF ESSENTIAL FACTS
UNIVERSITY OF KENTUCKY
HOUSING AND DINING SYSTEM REVENUE BONDS
SERIES M

This Statement of Essential Facts, which includes the cover page and the Exhibits appended hereto, is being distributed by University of Kentucky (the "University") to furnish pertinent information relating to the Housing and Dining System Revenue Bonds, Series M (the "Bonds") being offered hereby.

The summaries and references to Sections of the Kentucky Revised Statutes; the Trust Indenture dated June 1, 1965, between the Board of Trustees of University of Kentucky and Farmers Bank & Capital Trust Company, Frankfort, Kentucky, as amended and supplemented by the Supplemental Trust Indenture dated June 1, 1965, the Second Supplemental Trust Indenture dated June 1, 1965, the Third Supplemental Trust Indenture dated December 1, 1978, the Fourth Supplemental Trust Indenture dated June 1, 1986, and the Fifth Supplemental Trust Indenture dated January 1, 1993, as included in this Statement of Essential Facts, do not purport to be comprehensive or definitive and are qualified in their entirety by reference to each such document.

UNIVERSITY OF KENTUCKY

University of Kentucky is a comprehensive, Land-Grant institution located in Lexington (Fayette County), Kentucky. Founded in 1865 under the provisions of the Morrill Land-Grant Act, the University began as part of Kentucky University. In 1878, the Agricultural and Mechanical College was separated from Kentucky University and reestablished on land given by Lexington and Fayette County. To provide a separate campus for the new institution, Lexington donated its 50-acre fairgrounds and park, and along with Fayette County, contributed construction of the buildings. Thirty years later the name was changed to State University, Lexington, Kentucky, and in 1916 it became University of Kentucky.

University of Kentucky is organized into seventeen colleges and graduate schools plus extension programs, and operates a growing system of fourteen community colleges located throughout the state. These two-year colleges offer prebaccalaureate education in addition to technical and adult continuing education.

From an enrollment of 273 students in 1876, the University has grown to more than 70,000 students and approximately 10,600 faculty and staff. The campus today has more than 100 major buildings including not only modern teaching and research facilities, but also renovated history-laden structures dating back to the 1800s.

The University has produced two Nobel Laureates and seven governors of the state including the first female governor. Scientific advances in medicine, energy, equine and other fields of research have caused the University to be ranked among the top 100 research universities in the nation, the only one in Kentucky to be so recognized.

DESCRIPTION OF THE BONDS

Authorization

On December 8, 1992, the Board adopted a Resolution authorizing the execution of the Series M Fifth Supplemental Trust Indenture which authorizes the issuance of the Bonds in the amount of \$2,866,000, pursuant to authority contained in Sections 162.340 through 162.380, and Sections 58.010 through 58.140 of the Kentucky Revised Statutes and in accordance with the terms of the Trust Indenture dated June 1, 1965, as amended by the Supplemental Trust Indenture dated June 1, 1965 (the "1965 Indenture").

Terms, Denominations and Places of Payment

The Series M Bonds shall be issued as fully registered bonds as to both principal and interest in denominations of \$5,000 (provided, however, the Bonds maturing on June 1, 2023, shall have one denomination in the principal amount of \$1,000) or any multiple thereof within a single maturity, shall be dated January 1, 1993, and bear interest payable June 1, 1993, and thereafter semiannually on December 1 and June 1 of each year, at an annual rate or rates of interest to be fixed as a result of an advertised sale and competitive bidding for the Series M Bonds, as hereinafter provided.

Each Series M Bond shall bear interest from the interest payment date to which such Series M Bonds is authenticated by the Trustee, unless such Series M Bond is authenticated on an interest payment date to which interest has been paid, in which event it shall bear interest from such date, or if such Series M Bond is authenticated prior to the first interest payment date, such Series M Bond shall bear interest from the date of original issue.

Optional Redemption Provisions

Bonds maturing on and prior to June 1, 2004, are not subject to optional redemption prior to maturity except from the proceeds of insurance as provided in the Trust Indenture. Bonds maturing after December 1, 2004, are subject to redemption prior to maturity at the option of the University in whole or in part in inverse order of their maturities (less than all of a single maturity to be selected by lot), from Revenues accumulated in the 1965 Sinking Fund and properly available for such purpose, on any interest payment date on and after December 1,

2004; or in whole (along or with any other Series of Bonds outstanding under the Indenture as the Board may designate, in its sole discretion without regard to priority of issue, alphabetical designation or otherwise) from any moneys which may be made available from any source for such purpose, at any date not earlier than December 1, 2004, at a redemption price expressed as a percentage of the principal amount of the Series M Bonds to be redeemed, together with interest to the designated redemption date at the respective applicable interest rates, in accordance with the following schedule:

Optional Redemption

<u>If Redeemed</u> (Both Dates Inclusive)	<u>Redemption Price</u>
December 1, 2004 through December 1, 2009	103%
June 1, 2010 through December 1, 2014	102%
June 1, 2015 through December 1, 2019	101%
June 1, 2020, and thereafter	100%

Extraordinary Redemption

Series M Bonds shall be subject to redemption from the proceeds of insurance, in the event of damage or destruction of properties constituting parts of the Housing and Dining System.

SECURITY FOR THE BONDS

The Bonds will be issued pursuant to the terms of the 1965 Indenture, as supplemented by the Fifth Supplemental Trust Indenture dated January 1, 1993, naming Farmers Bank & Capital Trust Company, Frankfort, Kentucky, as Trustee, on a parity as to security and source of payment with the previously issued and outstanding Series B, C, D, E, F, G, I, J, K and L Bonds (the Series A and Series H Bonds having been redeemed).

The Series B, C, D, E, F, G, I, J, K and L Bonds, the Series M Bonds and additional parity bonds hereafter issued and outstanding under the terms of the 1965 Indenture are, and will be, payable from and constitute a paramount charge upon the defined Revenues derived by the University from the operation of its Housing and Dining System. The Housing and Dining System may be described generally as all the student housing and dining facilities (excluding buildings leased to fraternities or sororities or similar student groups), student center and related auxiliary enterprises now existing at the main campus of the University of Kentucky in Lexington, Kentucky. The Revenues of the System consist of the gross amount of rentals generated to the University from the use and occupancy of the facilities of the Housing System, from a Student Activity Fee and from the net income from the operation of the Dining Facilities.

By Resolution adopted on March 30, 1992, and ratified and confirmed by Resolution to be adopted prior to the sale of the Series M Bonds, the Kentucky State Property and Buildings Commission has recognized a binding and continuing contractual commitment of the Commonwealth to pay the cost of operation and maintenance of the Housing and Dining System, as enlarged, to the extent that Revenues shall be insufficient therefor after providing for the payment of principal of and interest on all outstanding Housing and Dining System Revenue Bonds heretofore issued or which may hereafter be issued with the approval of the Commission.

As further security for the Bonds and the interest accruing thereon, there is created and granted by Sections 162.200 and 162.350 of the Kentucky Revised Statutes a statutory mortgage lien upon the Housing and Dining System.

As further security for the Bonds, the 1965 Indenture provides for the creation of a Reserve Fund. The balance as of June 30, 1992, in the Reserve Fund is \$2,446,169. Under provisions of the 1965 Indenture, and the Fifth Supplemental Trust Indenture with the issuance of the Series M Bonds the University covenanted, commencing with the November 1 or May 1 next following the issuance of the Series M Bonds to increase the semiannual transfers heretofore provided by the 1965 Indenture to be made from the 1965 Revenue Fund and deposited to the credit of the 1965 Sinking Fund for the purpose of paying interest to such amount as will be sufficient to provide for the payment of interest accruing on all then outstanding series of bonds on the next ensuing interest payment date. The University further covenanted commencing November 1, 1993, and on each May 1 and November 1 thereafter, to increase the transfers heretofore provided by the Trust Indenture to be made from the 1965 Revenue Fund to the 1965 Sinking Fund for payment of maturing principal to an amount equal to one-half of the principal of all then outstanding Series M Bonds which will mature on the next ensuing June 1; and commencing with the November 1 and May 1 next following the issuance of the Series M Bonds, the Board shall transfer, semiannually, from the 1965 Revenue Fund for deposit to the credit of the 1965 Sinking Fund, an amount in addition to the semiannual payments required to be made under subsections (4) and (5) of Section 904 of Article IX of the 1965 Indenture, on an annual basis, equal to twenty-five percent (25%) of the average annual debt service requirements of principal and interest on the Series M Bonds; the same to be continued so long as the funds and/or investments in the 1965 Debt Service Reserve shall be less than an amount sufficient to pay the maximum amount which will become due in any Fiscal Year thereafter for the principal of and interest on all then outstanding series of bonds.

The 1965 Indenture also established a Repair and Maintenance Reserve Fund. The balance in the Fund as of June 30, 1992, was \$1,941,072.

PURPOSE

The proceeds of the Series M Bonds will be used to finance the constructions of renovations and improvements to the housing and dining facilities of the University (the "Series M Project").

Upon receipt of the proceeds of the Series M Bonds, accrued interest received, if any, shall immediately be deposited into the Sinking Fund to be applied toward payment of the next interest payment due on the Series M Bonds.

Next, there shall be paid the costs of issuance of the Series M Bonds.

The entire remaining balance of the proceeds of the Series M Bonds shall be deposited into the Series M Construction Account and disbursements from said account shall be made for the purpose of paying costs associated with the Series M project and the cost of interest on the bonds, not otherwise provided, during construction of the Series M Project.

THE SERIES M PROJECT

The proceeds of the Series M Bonds will be used for renovations and repairs to the University's Residence Halls, including improvements to fire and life safety systems, handicap access, electrical and plumbing systems and security systems.

SOURCES AND USES OF FUNDS

Source of Funds:

Bond Issue	\$2,866,000.00
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Use of Funds:

Construction	\$2,544,652.00
Construction Contingency	50,893.00
Architectural - Engineering Fees	270,455.00
Total	\$2,866,000.00

THE HOUSING AND DINING SYSTEM

University of Kentucky Housing and Dining system ("Housing and Dining System") refers to the housing and dining buildings, appurtenant facilities and related auxiliary enterprises located in Lexington, Fayette County, Kentucky, comprising portions of the University, identified as Blazer Hall, Bowman Hall, Boyd Hall, Bradley Hall, Breckinridge Hall, Donovan Hall, Haggin Hall, Holmes Hall, Jewel Hall, Keeneland Hall, Kinhead Hall, Kirwan-Blanding Complex, Patterson Hall, Gregg Page Stadium View Apartments, Shawneetown, Cooperstown, Commonwealth Village, Linden Lane-Rose Walk Apartments, Student Center Cafe, K-Lair Grill, and as the same may be added to in the future by including therein any other housing and dining facilities or related auxiliary enterprises and in accordance with the provisions of the 1965 Indenture.

EXISTING HOUSING SYSTEM - SPRING 1992

Facility	Capacity Residence Halls			Married Student Apartments
	Co-Ed	Men	Women	
Blazer Hall			191	
Bowman Hall*	—	—	—	—
Boyd Hall			140	
Bradley Hall*	—	—	—	—
Breckinridge Hall*	—	—	—	—
Commonwealth Village				121
Cooperstown				130
Donovan Hall			340	
Haggin Hall		575		
Holmes Hall		313		
Jewel Hall			106	
Keeneland Hall	311			
Kinhead Hall*		—	—	—
Kirwan-Blanding Complex	2,664			
Linden Lane-Rose Walk Apartments				50
Patterson Hall			122	
Gregg Page Stadium View Apartments	600			47
Shawneetown				186
Cooperstown				200
Totals	3,575	888	899	734

*Currently rented to the University for use as office space.

**VARIOUS DEMAND STATISTICS
Housing Demand Data**

Residence Halls

<u>Fall Semester</u>	<u>Capacity</u>	<u>Occupancy</u>	<u>Rate</u>
1988	4,743	4,687	98.8%
1989	4,744	4,655	98.1%
1990	4,767	4,556	95.6%
1991	4,763	4,690	98.5%
1992	4,763	4,714	99.0%

Residence Hall Rates Per Semester - Spring, 1992

Air Conditioned Halls - Double Occupancy	\$817.00
Non Air Conditioned Halls - Double Occupancy	817.00
Summer Term 1992 - Per Week	51.25

Pledged Revenues of the System

<u>Fiscal Year Ended June 30</u>	<u>Other Related Auxiliary</u>	<u>Gross Housing Revenue</u>	<u>Student Activity Fee</u>	<u>Net Dining Operations</u>	<u>Totals</u>
1988	\$768,725	\$ 9,897,604	\$ 777,475	\$179,177	\$11,662,981
1989	986,342	10,554,693	938,478	115,982	12,595,495
1990	769,359	11,182,882	1,012,284	(8,078)	12,956,447
1991	814,004	11,416,016	1,039,115	209,071	13,478,206
1992	813,591	12,098,068	1,082,395	47,667	14,041,721

ESTIMATED COVERAGE OF DEBT SERVICE REQUIREMENTS

The calculation of coverage of debt service requirements as set forth below is based on the schedule of annual debt service for the Housing and Dining System Revenue Bonds as shown herein. The Revenues as shown have been adjusted to reflect the increases in Housing and Dining System revenues as permitted by the 1965 Indenture in the calculation of coverage of debt service requirements.

Calculation for Parity Bonds (Minimum Allowable Coverage - 1.30x)

1990-91 Adjusted Revenues	\$13,946,002
1991-92 Adjusted Revenues	14,163,919
Total	\$28,109,921
Average Annual Revenues	\$14,054,961
Total Parity Revenues	\$14,054,961
Maximum Debt Service Requirement	2,537,781
Times Maximum Debt Service Covered	5.54x

**HOUSING SYSTEM, DINING SYSTEM
SUMMARY OF REVENUES AND EXPENSES**

	1988	1989	1990	1991	1992
Revenues					
Housing Fees	\$ 9,009,972	\$ 9,577,116	\$ 9,993,153	\$10,544,715	\$11,108,871
Other Housing Revenue	887,632	977,577	1,189,729	871,301	989,197
Sub Total	\$ 9,897,604	\$10,554,693	\$11,182,882	\$11,416,016	\$12,098,068
Dining Sales	\$ 5,122,409	\$ 5,342,327	\$ 5,374,167	\$ 5,483,467	\$ 5,934,814
Other Dining Revenue	3,921,034	4,120,038	5,804,693	6,111,988	6,034,809
Sub Total	\$ 9,043,443	\$ 9,462,365	\$11,178,860	\$11,595,455	\$11,969,623
Student Activity Fee	\$ 777,475	\$ 938,478	\$ 1,012,284	\$ 1,039,115	1,082,395
Other Revenue	768,725	986,342	769,359	814,004	813,591
Sub Total	\$ 1,546,200	\$ 1,924,820	\$ 1,781,643	\$ 1,853,119	\$ 1,895,986
Total Revenues	\$20,487,247	\$21,941,878	\$24,143,385	\$24,864,590	\$25,963,677
Expenses (exclusive of debt service)					
Housing	\$ 9,738,351	\$11,120,119	\$10,889,560	\$11,357,883	\$11,922,241
Dining	9,018,180	9,346,383	11,186,938	11,386,384	11,921,956
Total Expenses	\$18,756,531	\$20,466,502	\$22,076,498	\$22,744,267	\$23,844,197
Excess Revenue Over Expense	\$ 1,730,716	\$ 1,475,376	\$ 2,066,887	\$ 2,120,323	\$ 2,119,480
Interest Income from Debt					
Service and Replacement Fund	278,589	281,559	245,759	245,709	218,293
Total	\$ 2,009,305	\$ 1,756,935	\$ 2,312,646	\$ 2,366,032	\$ 2,337,773
Annual Debt Service, Series B, C, D, E, F, G, I, J, K & L	\$2,333,954	\$2,336,941	\$2,337,546	\$2,341,032	\$2,337,773

UNIVERSITY OF KENTUCKY HOUSING AND DINING SYSTEM REVENUE BONDS DEBT SERVICE SCHEDULE

<u>Fiscal Year</u> <u>Ending 6/1</u>	<u>Principal</u> <u>Series M</u>	<u>Interest 5.5%</u>		<u>Period</u> <u>Total</u>	<u>Outstanding</u> <u>Series Bonds</u>	<u>Combined</u> <u>Fiscal Total</u>
1993		\$65,679.17		\$65,679.17	\$2,336,909.75	\$2,402,588.92
1994	\$ 40,000	78,815.00	\$78,815.00	197,630.00	2,329,281.75	2,526,911.75
1995	40,000	77,715.00	77,715.00	195,430.00	2,333,252.50	2,528,682.50
1996	45,000	76,615.00	76,615.00	198,230.00	2,329,991.25	2,528,221.25
1997	50,000	75,377.50	75,377.50	200,755.00	2,332,776.25	2,533,531.25
1998	50,000	74,002.50	74,002.50	198,005.00	2,336,861.25	2,534,866.25
1999	55,000	72,627.50	72,627.50	200,255.00	2,337,526.25	2,537,781.25
2000	60,000	71,115.00	71,115.00	202,230.00	2,308,706.25	2,510,936.25
2001	60,000	69,465.00	69,465.00	198,930.00	2,314,077.50	2,513,007.50
2002	65,000	67,815.00	67,815.00	200,630.00	2,271,406.25	2,472,036.25
2003	63,000	66,027.50	66,027.50	197,055.00	2,182,035.00	2,379,090.00
2004	70,000	64,240.00	64,240.00	198,480.00	2,182,820.00	2,381,300.00
2005	75,000	62,315.00	62,315.00	199,630.00	2,185,860.00	2,385,490.00
2006	75,000	60,252.50	60,252.50	195,505.00	772,650.00	968,155.00
2007	80,000	58,190.00	58,190.00	196,380.00	444,100.00	640,480.00
2008	85,000	55,990.00	55,990.00	196,980.00	451,140.00	648,120.00
2009	90,000	53,652.50	53,652.50	197,305.00	201,750.00	399,055.00
2010	95,000	51,177.50	51,177.50	197,355.00	202,250.00	399,605.00
2011	100,000	48,565.00	48,565.00	197,130.00	202,600.00	399,730.00
2012	105,000	45,815.00	45,815.00	196,630.00	202,800.00	399,430.00
2013	110,000	42,927.50	42,927.50	195,855.00	202,850.00	398,705.00
2014	115,000	39,902.50	39,902.50	194,805.00	202,750.00	397,555.00
2015	120,000	36,740.00	36,740.00	193,480.00	202,500.00	395,980.00
2016	125,000	33,440.00	33,440.00	191,880.00	202,100.00	393,980.00
2017	130,000	30,002.50	30,002.50	190,005.00	201,550.00	391,555.00
2018	140,000	26,427.50	26,427.50	192,855.00	200,850.00	393,705.00
2019	145,000	22,577.50	22,577.50	190,155.00		190,155.00
2020	155,000	18,590.00	18,590.00	192,180.00		192,180.00
2021	165,000	14,327.50	14,327.50	193,655.00		193,655.00
2022	175,000	9,790.00	9,790.00	194,580.00		194,580.00
2023	181,000	4,977.50	4,977.50	190,955.00		190,955.00

GENERAL OPERATIONS OF THE UNIVERSITY

Governing Board

The Governing Body of the University is the Board of Trustees (the "Board") consisting of sixteen members appointed by the Governor of the Commonwealth of Kentucky, two faculty members elected by the faculty, one member of the Community College faculty elected by the Community College faculty and one student member who is the President of the student body, or if he or she is not a full-time student who maintains permanent residence in the Commonwealth, otherwise a full-time student who does maintain permanent residency in the Commonwealth elected by the student body. Pursuant to Section 164.160 of the Kentucky Revised Statutes, the Board is a body corporate with the powers usually vested in corporations and, as such, subject to the statutes of the Commonwealth, has control and management of the University, together with the properties and funds thereof.

Administrative Officers

The President of the University is Dr. Charles T. Wethington, Jr. Donald B. Clapp is Vice President for Administration; Joseph T. Burch is Vice President for University Relations; Dr. Ben W. Carr, Jr. is Chancellor for the Community College System; Edward A. Carter is Vice President for Management and Budget; Dr. Robert E. Hemenway is Chancellor for the University's Lexington Campus; Dr. Peter P. Bosomworth is Chancellor for the Albert B. Chandler Medical Center; Dr. Linda J. Magid is Vice President for Research and Graduate Studies; Eugene R. Williams is Vice President for Information Systems; and Henry Clay Owen is Controller and Treasurer of the University of Kentucky.

OPERATIONS

NOTE: All data contained in the following section of General Operations of the University has been supplied by the Controller and Treasurer's Office of the University.

Enrollment

The following schedule indicates the Fall Semester head count and full-time equivalent enrollment at the University for each of the academic years 1987-88 through 1992-93. The full-time enrollment calculation is made in accordance with the method used by the United States Office of Education.

Fall Semester Enrollment

<u>Academic Year</u>	<u>Head Count</u>	<u>Full-Time, Equivalent</u>
1987-88	22,000	17,869
1988-89	22,330	18,704
1989-90	22,470	18,755
1990-91	23,042	18,973
1991-92	23,548	19,885
1992-93	23,578	(estimated) 19,920

*Full-time and part-time enrollment equated to full-time enrollment.

In reviewing enrollment projections, consideration has been given to planning for adequate academic and housing accommodations for future enrollments. The programs will be developed so that academic and housing facilities will not be limiting factors on the enrollment growth projected. The enrollment projection for the University is set forth in the following tabulations.

<u>Academic Year</u>	<u>Estimated Fall Semester Student Enrollment (Full-Time Equivalent)</u>
1993-94	20,000
1994-95	20,100
1995-96	20,200
1996-97	20,300
1997-98	20,400

*Projections based on 1992-93 data.

Approximately 16% 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.

Admissions Information - Fall Semester Undergraduate Admissions

	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>
Number of Applications	10,563	6,431	6,341	6,868	6,960
Number Approved for Enrollment	8,240	4,453	4,956	5,499	5,365
Number Enrolled	2,932	2,678	2,545	2,827	2,559
Average ACT Scores (First time full-time Freshmen)	22.5	22.5	22.6	23.9	24.3

STATE APPROPRIATIONS

The Commonwealth of Kentucky Legislature, based on an initial request from the Governor, approves a biennial budget for the Kentucky Council of Higher Education which is for all the Commonwealth's public universities. The current biennium is for years 1992-94. The Council on Higher Education then distributes this budget to the universities based on a formula plus any special program appropriations approved by the Legislature.

UNIVERSITY OF KENTUCKY State Appropriations

1986-87	\$199,348,000	1990-91	\$285,015,000
1987-88	223,970,000	1991-92	312,686,000
1988-89	238,096,000	1992-93	309,863,000
1989-90	252,648,000	1993-94	319,498,000

The amount of funds so appropriated has been based in part on the debt service on the University's outstanding bonds. The Board presently intends, but is not obligated, to continue to seek to have funds appropriated by the General Assembly to partially support the operations of the University. THE GENERAL ASSEMBLY IS UNDER NO OBLIGATION TO MAKE APPROPRIATIONS FOR PAYMENTS ON THE BONDS. IN ADDITION, THERE CAN BE NO ASSURANCE THAT IN THE PERFORMANCE OF HIS OR HER OBLIGATION TO BALANCE THE STATE BUDGET ANNUALLY, THE GOVERNOR WILL NOT REDUCE OR ELIMINATE ANY APPROPRIATIONS WHICH ARE MADE. THE BONDS ARE SECURED BY AND PAYABLE SOLELY FROM THE REVENUES, AND NOT SUCH APPROPRIATIONS.

OUTSTANDING BONDS UNIVERSITY OF KENTUCKY

Schedule of Bonds Payable as of June 30, 1992

	<u>Year of Issue</u>	<u>Amount of Issue</u>	<u>Amount Outstanding</u>	<u>Year of Final Maturity</u>
Housing & Dining System				
Revenue Bonds				
Series B	1965	\$ 275,000	\$ 60,000	1994
Series C	1965	955,000	135,000	1995
Series D	1965	1,835,000	275,000	1996
Series E	1965	1,580,000	345,000	1997
Series F	1965	1,155,000	455,000	2001
Series G	1965	1,375,000	810,000	2002
Series I	1965	20,000,000	14,800,000	2005
Series J	1978	1,900,000	1,465,000	2008
Series K	1978	4,584,000	3,600,000	2018
Series L	1986	3,790,000	3,035,000	2006
Series M*	1992	2,866,000	2,866,000	2023
Total			\$27,846,000*	

*This issue

	<u>Year of Issue</u>	<u>Amount of Issue</u>	<u>Amount Outstanding</u>	<u>Year of Final Maturity</u>
Main Campus				
Consolidated Educational				
Buildings Revenue Bonds				
Series C	1970	\$ 4,290,000	\$ 865,000	1996
Series D	1973	31,000,000	17,735,000	1999
Series E	1973	4,750,000	3,320,000	2002
Series F	1976	7,500,000	6,260,000	2002
Series G	1983	17,100,000	710,000	2003
Series H	1983	8,500,000	365,000	2003
Series I	1985	16,100,000	2,415,000	2006
Series J	1987	29,350,000	25,585,000	2007
Series G(2), Series H(2), Series I(2)	1987	34,715,000	32,975,000	2006
Series K	1989	9,200,000	8,735,000	2010
Series L	1991	22,300,000	21,710,000	2011
Series M	1991	9,755,000	9,490,000	2011
Series N	1992	25,430,000	25,430,000	2012
Total			\$155,595,000	

	<u>Year of Issue</u>	<u>Amount of Issue</u>	<u>Amount Outstanding</u>	<u>Year of Final Maturity</u>
Community Colleges				
Educational Buildings				
Revenue Bonds				
Series A	1969	\$12,125,000	\$ 8,770,000	1996
Series B	1969	4,489,000	2,585,000	1999
Series C	1974	5,500,000	3,290,000	2002
Series D (Second Series)	1986	9,010,000	7,800,000	2002
Series E	1986	2,890,000	2,385,000	2003
Series F	1987	26,100,000	22,880,000	2003
Series G	1989	24,530,000	23,305,000	2006
Series H	1991	36,350,000	35,395,000	2007
Series I	1991	11,250,000	10,955,000	2011
Total			\$117,365,000	

	<u>Year of Issue</u>	<u>Amount of Issue</u>	<u>Amount Outstanding</u>	<u>Year of Final Maturity</u>
Hospital Revenue Bonds				
Series A	1986	\$21,000,000	\$19,705,000	2006

	<u>Year of Issue</u>	<u>Amount of Issue</u>	<u>Amount Outstanding</u>	<u>Year of Final Maturity</u>
Fraternity and Sorority				
Revenue Bonds				
Revenue Bonds	1956	\$900,000	\$165,000	1996
Revenue Bonds	1956	150,000	27,000	1996
Revenue Bonds	1958	150,000	37,000	1998
Revenue Bonds (ROSE ST.)	1968	130,000	15,000	1994
Total			\$244,000	

FUTURE DEBT

The State has authorized other projects at the University to be directly funded from proceeds of State Property and Buildings Commission issues or by private funds. In the future years, the University expects to request approval to issue additional debt of the University.

CERTAIN PROVISIONS OF THE TRUST INDENTURE

University of Kentucky Housing and Dining System Revenue Bonds Revenue Fund Account

Under the terms of the 1965 Indenture, there is established a special fund known as "University of Kentucky Housing and Dining System Revenue Bonds Revenue Fund Account" (the "System Revenue Fund"). Said Fund is held in the custody of the Treasurer of the Board of Trustees, separate and apart from all other funds of the Board. There shall be deposited into the System Revenue Fund all Revenues of the System as defined in the 1965 Indenture and as described in summary elsewhere herein under "Security for the Bonds."

University of Kentucky Housing and Dining System Revenue Bond and Interest Sinking Fund Account

Under the terms of the 1965 Indenture, there is also established a separate account designated the "University of Kentucky Housing and Dining System Revenue Bond and Interest Sinking Fund Account" (the "System Sinking Fund"). So long as any of the Bonds are outstanding, the System Sinking Fund shall be maintained and deposited with the Trustee and shall be used to pay principal and interest on all bonds outstanding and to accumulate a reserve therefor. Upon delivery of any bonds issued under the terms of the 1965 Indenture, there shall be deposited into the System Sinking Fund the accrued interest, if any, received from the purchasers of the Bonds.

Commencing with the May 1 next following the delivery date for the issuance of these Series M Bonds, the Board shall transfer from the System Revenue Fund, as the first charge thereon, and deposit to the credit of the System Sinking Fund on or before each succeeding May 1 or November 1, an amount, which together with sums as may then be available in said System Sinking Fund, shall be equal to the next succeeding interest payment to become due on the outstanding bonds and an amount equal to one-half of the principal payment to become due in the next succeeding twelve months. In addition to the principal and interest payments, an amount equal to 25% of the average annual debt service requirement for any new parity issue must be paid annually into the System Sinking fund until the Debt Service Reserve equals the maximum debt service to become due on all outstanding bonds in any succeeding year.

All moneys held in the System Sinking Fund shall be secured and invested by the Trustee as provided in the Indenture. The System Sinking Fund is pledged irrevocably for the purpose of paying the interest and principal of the Bonds secured by the Indenture and only such amount therein as may be in excess of the Debt Service Reserve may be used for retiring Bonds before maturity.

University of Kentucky Housing and Dining System Repair and Maintenance Reserve

There is created under the terms of the Indenture an account designated "University of Kentucky Housing and Dining System Repair and Maintenance Reserve" (the "System Repair and Maintenance Reserve") to be held by the Trustee separate and apart from all other accounts and funds. In accordance with the terms of the Indenture, the Board has previously deposited at least the minimum aggregate requirement of \$1,407,000. Upon the issuance of these Bonds and any additional parity bonds issued in the future, the Board has covenanted, after observing the priority of payments to the System Sinking Fund, to increase the annual transfer to the System Repair and Maintenance Reserve, in addition to the annual transfers required by the 1965 Indenture, by $\frac{1}{2}$ of 1% of the original amount of such parity bonds issued until the additional reserve equals 5% of such original principal amount of parity bonds. In the Fifth Supplemental Trust Indenture authorizing the Series M Bonds, the Board has increased and covenanted to annually deposit \$92,850 into the System Repair and Maintenance Reserve Fund until such balance aggregates \$1,407,000.

Balances held in the System Repair and Maintenance Reserve may be used for unusual or extraordinary costs of maintenance, repairs, replacement or operation of the System to the extent that they represent unanticipated deficiencies not previously budgeted. No withdrawal may be made from such Reserve to the extent that the

aggregate balance is reduced below the sum of \$750,000 except by resolution of the Board determining that an emergency exists requiring such expenditure to preserve the tenantability and revenue-producing capacity of the Housing and Dining System. The Trustee may make withdrawals of dollars from the Repair and Maintenance Reserve to the extent required to prevent a default in the payment of maturing principal of or interest on the Bonds, in the event moneys available in the Sinking Fund and the Debt Service Reserve shall be insufficient for such purpose.

Investment of Funds

Moneys held in the System Repair and Maintenance Reserve and any amount held in the System Sinking Funds in excess of principal and interest requirements for the ensuing twelve month period shall be invested in direct or fully guaranteed obligations of the United States Government, maturing in not more than ten years. Moneys held in the System Sinking Fund for current principal and interest requirements (as distinguished from deposits for the System Debt Service Reserve) may be invested in direct or fully guaranteed obligations of the United States Government, maturing or subject to redemption at the option of the holder not later than the time such funds must be disbursed.

Current Expenses

Current Expenses of the System shall be payable from the System Revenue Fund but only from such amounts as remain therein after compliance with payments to the System Sinking Fund and System Repair and Maintenance Reserve. If, after making the above payments, the remaining funds in the System Revenue Fund are insufficient to provide full payment of the operating and maintenance expenses of the System, the Board will: (a) impose such additional rentals as the Board may at its discretion determine to be economically feasible and consistent with the educational duties of the Board, or (b) the Board will make up such deficiency from other sources in such manner as to constitute a binding contractual commitment of said Board and of the Commonwealth of Kentucky over the entire life of these Bonds. A Resolution of the State Property and Buildings Commission, taking cognizance of this commitment on the part of the Commonwealth and authorizing the issuance of these Bonds will have been adopted prior to delivery of said bonds. It has been held by the highest court of the Commonwealth that such covenant does not create an unconstitutional debt of the Commonwealth.

After making the required disbursements above, any moneys remaining at the close of each Fiscal Year in the System Revenue Fund may be used (a) to redeem or prepay principal of outstanding Bonds, (b) to improve or restore any existing housing or dining facilities or to provide additional facilities, or (c) for any other lawful purpose.

Additional Bonds

Additional Bonds ranking on a parity with these Bonds may be issued for the purpose of financing housing and dining facilities to be made a part of the Housing and Dining System providing:

1. The Board is in full compliance with all covenants and undertakings in connection with its then outstanding Housing and Dining System Bonds.
2. There has been filed with the Trustee a certificate that an inspection of existing housing and dining buildings has been made and they are represented to be in good and current state of repair.
3. The average of the audited annual Revenues of said System for the two Fiscal Years immediately preceding the issuance of said additional parity bonds (with adjustments to reflect any increase or decrease in rates charged or services rendered by the Housing and Dining System), and (a) an estimate of revenues to be derived from buildings to be constructed and/or added from the proceeds of such parity bonds and, (b) an estimate of annual revenues to be derived from any buildings currently under construction, and (c) an adjustment to reflect annual rentals of buildings which have been in operation for less than one year, shall aggregate an amount equal to not less than 1.30 times the maximum amount which will be required in any future Fiscal Year for debt service on the bonds outstanding and parity bonds to be issued. The estimates of annual revenues as used above are subject to certain restrictions as further set out in the Indenture. The Board may pledge as an additional source of payment for the Bonds the revenues of any buildings added to the System otherwise than through the issuance of bonds, or any additional student fees.

Other Covenants

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

1. That it will at all times maintain, preserve and keep the System in good condition, repair and working order and will make all needful repairs, replacements, additions, betterments and improvements so that the operations and business of the System and every part thereof shall at all times be conducted properly and advantageously.
2. That it will procure and maintain so long as any of the Bonds are outstanding, fire and extended coverage insurance on the System in amounts sufficient to provide full recovery when the loss does not exceed 80% of the full insurable value of the property, and also a minimum amount of \$50,000 of boiler explosion insurance.

3. That it will procure public liability insurance (including vehicular liability insurance) with limits of not less than \$100,000 for one person and \$300,000 for more than one person involved in one accident, providing provision is not otherwise made by law for disposition of such claims of such character as would be covered thereby.

4. That it will keep accurate financial records and proper books relating to the System, and such records and books shall be open to inspection by the Bondowners and their agents and representatives, and that not later than 120 days after the close of each Fiscal Year it will furnish to any Bondowner who shall request same in writing, an audit report prepared by an independent public accountant or by the state auditing official.

5. That it will establish such parietal rules, rental rates and charges for the use of the System as may be necessary to (a) assure maximum occupancy and use of the facilities of the System, and (b) provide, together with other funds herein pledged to payment of the Bonds, (i) the debt service on the Bonds, (ii) the required reserve therefor, (iii) the System Repairs and Maintenance Reserve for which provision is made herein, and (iv) the operating and maintenance expenses of said facilities not provided from other sources.

Application of Proceeds of Series M Construction Fund

The costs of the Series M Project intended to be financed through the issuance of the Series M Bonds shall include, without intending thereby to limit or restrict or extend any proper definition of such cost under any applicable laws or under the 1965 Indenture and the Fifth Supplemental Trust Indenture, disbursements for, or reimbursement to the Commonwealth and the University for advances made for the following:

(a) obligations incurred for labor and to contractors, builders and materialmen in connection with the construction of said Series M Project;

(b) fees and expenses of engineers and architects for surveys and estimates and other preliminary investigations, preparation of plans, drawings and specifications and supervising construction, as well as for the performance of all other duties of engineers and architects in relation to the planning or construction of the Series M Project or in connection with the issuance of the Series M Bonds;

(c) expense for administration properly chargeable to the Series M Project, legal expenses and fees, financing charges, advertising expenses, cost of printing the Series M Bonds and printing and distribution of the Statement of Essential Facts, the cost of audits and of issuing the Series M Bonds, and all other items of expense not elsewhere specified, incident to the construction of the Series M Project and placing the same in operation.

(d) interest accruing on the Series M Bonds during construction of the Series M Project, not otherwise provided; and

(e) to the extent of any surplus remaining after payment of all of the costs of the Series M Project, toward the cost of movable furnishings and fixtures for said Series M Project.

Application of Excess Proceeds After Completion of the Series M Project

When the Series M Project shall have been completed and audited, any balance remaining in the Series M Construction Fund, and not necessary in the opinion of the Board to be reserved for the payment of any remaining part of the costs of the Series M Project, may, upon order of the Board, be applied, in whole or in part, to (i) deposit with the Trustee for credit to the 1965 Debt Service Reserve, or (ii) the cost of constructing, reconstructing or completing educational buildings for housing and dining purposes upon the campus of the University in Fayette County, Kentucky, including necessary appurtenant facilities, furnishings and equipment, if the same will, when completed, constitute parts of the Housing and Dining System, or (iii) retention in the Series M Construction Fund for the purpose of reducing the amount of a subsequent series of the Board's Housing and Dining System Revenue Bonds issued under the 1965 Indenture and in accordance with the conditions and restrictions therein prescribed.

Investment of Moneys in Series M Construction Fund

If it be determined at any time by the Board that the moneys on deposit in the Series M Construction Fund exceed the estimated disbursements on account of said Series M Project, such excess may be invested by the State Treasurer upon orders of the Board in (i) direct obligations of the United States of America or obligations which are fully guaranteed by the United States of America, or (ii) as provided in KRS 42.500(8). Such investments shall be selected in such manner as to mature according to estimates of Architects charged with supervision of construction, not later than the time or times when it is anticipated that cash will be required for authorized purposes and all such investments, as well as all income therefrom, shall be carried to the credit of said Series M Construction Fund.

TAX EXEMPTION

In the opinion of Rubin Hays & Foley, Municipal Bond Counsel, Louisville, Kentucky, the principal of the Series M Bonds is not subject to Kentucky ad valorem taxation and the interest on the Series M Bonds is excludable from gross income for federal income tax purposes, is not an item of tax preference for purposes of the federal

alternative minimum tax on individuals and corporations, and is not subject to Kentucky income taxation. See Special Tax Exemption Considerations.

SPECIAL TAX EXEMPTION CONSIDERATIONS

In order to assure the purchasers of the Series M Bonds that interest thereon will continue to be excludable from all Federal and Kentucky income taxation (subject to certain exceptions set out below), the Board covenants to and with the owners of such Bonds that (1) the Board will take all actions necessary to comply with the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), (2) the Board will take no actions which will violate any of the provisions of the Code, or that would cause the Series M Bonds to become "private activity bonds" within the meaning of the Code, (3) none of the proceeds of the Series M Bonds will be used for any purpose which would cause the interest on the Series M Bonds to become subject to federal income taxation, and the Board will comply with any and all requirements as to rebate (and reports with reference thereto) to the United States of certain investment earnings on the proceeds of the Series M Bonds.

The Board certifies that the Series M Bonds are not "private activity bonds" within the meaning of the Code, and the Board has been advised by Bond Counsel and therefore believes that interest on the Bonds is not included as an item of tax preference in calculating the alternative minimum tax for individuals. However, the Board has been advised that these Bonds are not "qualified tax-exempt obligations" for bank investments and that banks are not permitted to deduct the interest cost attributable to the purchase of these Bonds.

The exemption from income taxation by the United States of America of interest on the Bonds is subject to the following exceptions:

1. For purposes of the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), interest on the Series M Bonds is taken into account in determining adjusted current earnings for taxable years beginning after December 31, 1989.
2. Section 265 of the Code denies a deduction for interest on indebtedness incurred or continued to purchase or carry the Series M Bonds, or, in the case of a financial institution, that portion of an owner's interest expense allocated to interest on the Series M Bonds.
3. With respect to insurance companies subject to the tax imposed by Section 831 of the Code, Section 832(b)(5)(B)(i) reduces the deduction for loss reserves by 15% of the sum of certain items, including interest on the Series M Bonds.
4. For taxable years beginning before January 1, 1996, interest on the Series M Bonds earned by some corporations could be subject to the environmental tax imposed by Section 59A of the Code.
5. Interest on the Series M Bonds earned by certain foreign corporations doing business in the United States of America could be subject to a branch profits tax imposed by Section 884 of the Code.
6. Passive investment income, including interest on the Series M Bonds, may be subject to federal income taxation under Section 1375 of the Code for Subchapter S corporations that have Subchapter C earnings and profits at the close of the taxable year if greater than 25% of the gross receipts of such Subchapter S corporation is passive investment income.
7. Section 86 of the Code requires recipients of certain Social Security and certain Railroad Retirement benefits to take into account, in determining the taxability of such benefits, receipts or accruals of interest on the Series M Bonds.

The Board of Trustees has reserved the right to amend the Fifth Supplemental Trust Indenture pursuant to which the Series M Bonds will be issued without obtaining the consent of the owners of the Series M Bonds (i) to whatever extent shall, in the opinion of Bond Counsel, be deemed necessary to assure that interest on the Series M Bonds shall be exempt from federal income taxation, and (ii) to whatever extent shall be permissible (without jeopardizing such tax exemption or the security of the owners of the Series M Bonds) to eliminate or reduce any restrictions concerning the investment of the proceeds of the Series M Bonds, or the application of such proceeds or of the revenues of the Project. The purchasers of the Series M Bonds are deemed to have relied fully upon these covenants and undertakings on the part of the Board of Trustees as part of the consideration for the purchase of the Series M Bonds. To the extent that the Board of Trustees obtains an opinion of nationally recognized bond counsel to the effect that non-compliance with any of the covenants contained in the Fifth Supplemental Trust Indenture would not subject interest on the Series M Bonds to federal income taxes or Kentucky income taxes, the Board of Regents is not required to comply with such covenants or requirements.

Bond Counsel will render the customary opinion as to exemption of principal of the Bonds from Kentucky ad valorem taxation and as to exemption of interest on the Bonds from federal and Kentucky income taxation, based on the assumption by Bond Counsel that the Board complies with covenants made by the Board with respect to compliance with the provisions of the Code, subject to exceptions set out above, and based on the assumption of compliance by the Board with requirements as to any required rebate (and reports with reference thereto) to the United States of America of certain investment earnings on the proceeds of the Series M Bonds, Bond Counsel is of the opinion that, based on the foregoing assumption of compliance, the Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Code.

ABSENCE OF MATERIAL LITIGATION

There is no controversy or litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the Series M Bonds, or in any way contesting or affecting the validity of the Bonds or any proceedings of the University taken with respect to the issuance or sale thereof, or the pledge or application of any monies or security provided for the payment of the Series M Bonds or the due existence or powers of the University.

APPROVAL OF LEGALITY

Legal matters incident to the authorization, issuance, sale and delivery of the Series M Bonds are subject to the approval of Rubin Hays & Foley, Louisville Kentucky, Bond Counsel to the University. The approving legal opinion of Bond Counsel will be printed on the Series M Bonds. Bond Counsel has reviewed the information herein pertaining to the Bonds under the headings "Description of Bonds," "Authorization," "Security," "Purpose," "Certain Provisions of the Trust Indenture," "Tax Exemption" and "Special Tax Exemption Considerations" and is of the opinion that such information is a fair summary of the principal provisions of the instruments and information therein described. Said firm has not otherwise participated in the preparation of the Statement of Essential Facts or the Exhibits attached hereto and has not verified the accuracy or completeness of the information contained under any heading other than those stated above, nor of any financial information, enrollment numbers, projections or computations relating thereto, and, therefore, can make no representation with respect to such information. The matters set forth under "Absence of Material Litigation" will be delivered by the University with the Series M Bonds.

APPROVAL OF ISSUANCE OF BONDS

Issuance of the Series M Bonds by the University and the terms thereof are subject to the approval and has been approved by the Kentucky State Property and Buildings Commission.

Pursuant to Chapter 42 of the Kentucky Revised Statutes, issuance of the Series M Bonds has been approved by the Kentucky Finance and Administration Cabinet, Office for Investment and Debt Management.

CERTIFICATE CONCERNING STATEMENT OF ESSENTIAL FACTS

Concurrently with the delivery of the Bonds, the Treasurer of the Board of Trustees will certify that, to the best of his knowledge, the Statement of Essential Facts did not as of its date, and does not as of the date of delivery of the Bonds, contain any untrue statement of a material fact or omit to state a material fact which should be included therein for the purpose for which the Statement of Essential Facts is to be used, or which is necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading in any material respect.

COMPLETENESS OF STATEMENT OF ESSENTIAL FACTS

This Statement of Essential Facts is in a form "deemed final" by the Issuer for purposes of SEC Rule 15c-12(B)(1).

All quotations from, and summaries and explanations of, the Kentucky Revised Statutes, the 1965 Indenture, the Fifth Supplemental Trust Indenture contained herein do not purport to be complete, and reference is made to such laws and documents for full and complete statements of their provisions. The Exhibits attached hereto, if any, are a part of this Statement of Essential Facts. Copies, in reasonable quantity, of the 1965 Indenture and the Fifth Supplemental Trust Indenture may be obtained from Henry Clay Owen, Controller and Treasurer of the University of Kentucky, Lexington, Kentucky 40506-0005.

Any statements in this Statement of Essential Facts involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Statement of Essential Facts is not to be construed as a contract or agreement between the University and the purchasers or owners of any of the Bonds.

UNIVERSITY OF KENTUCKY

Attest:

Edward T. Breathitt, Chairman,
Board of Trustees

Lois Weinberg, Secretary

Office of the President
January 19, 1993

FCR 10

Members, Board of Trustees:

RESOLUTION OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY ACCEPTING THE SUCCESSFUL BID FOR THE PURCHASE OF \$20,970,000 (PLUS OR MINUS UP TO 10%) PRINCIPAL AMOUNT OF UNIVERSITY OF KENTUCKY HOSPITAL REFUNDING REVENUE BONDS, SERIES A (SECOND SERIES), DATED JANUARY 1, 1993

Recommendation: (i) that the Board of Trustees approve a Resolution accepting the successful bid of Hilliard & Lyons with reference to the sale of the \$20,970,000 (plus or minus up to 10%) of University of Kentucky Hospital Refunding Revenue Bonds, Series A (Second Series), dated January 1, 1993, at a net interest cost of 5.35161%; (ii) that the Board of Trustees approve the form of Official Statement as prepared by J.J.B. Hilliard, W.L. Lyons, the Financial Advisors to the Board of Trustees.

Background: On December 8, 1992, the Board of Trustees approved a Resolution authorizing the issuance of \$20,970,000 (plus or minus up to 10%) of University of Kentucky Hospital Refunding Revenue Bonds, Series A (Second Series), dated January 1, 1993. Said Resolution also authorized the public advertising for sealed, competitive bids to be received on January 19, 1993. Bids were received by the Controller & Treasurer, tabulated by J.J.B. Hilliard, W.L. Lyons, Fiscal Agents for the bonds, and reported to the Finance Committee. The recommended bid is the lowest net interest cost to the University.

Four bids were received and tabulated as follows:

Hilliard & Lyons	5.35161%
Prudential Securities	5.50890%
Lehman Brothers	5.58032%
Clayton Brown & Assoc.	5.67260%

Action: Approved / Disapproved Other

Dated: January 19, 1993

SALE RESOLUTION

RESOLUTION OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY ACCEPTING THE SUCCESSFUL BID FOR THE PURCHASE OF \$20,970,000 (PLUS OR MINUS UP TO 10%) PRINCIPAL AMOUNT OF UNIVERSITY OF KENTUCKY HOSPITAL REFUNDING REVENUE BONDS, SERIES A (SECOND SERIES), DATED JANUARY 1, 1993.

WHEREAS, Notice of Sale of \$20,970,000 (plus or minus up to 10%) principal amount of University of Kentucky Hospital Refunding Revenue Bonds, Series A (Second Series), dated January 1, 1993, has heretofore been advertised, and information as to such sale has been distributed in strict compliance with all legal requirements, which action is hereby authorized, ratified and confirmed, and

WHEREAS, all bids received for the purchase of said Bonds from the University have been duly considered, copies of such bids are attached to this Resolution, and made a part hereof, and a summary of said respective bids is as follows:

1.	2.	3.
<u>BIDDERS</u>	AMOUNTS BID FOR SAID \$20,970,000 PRINCIPAL AMOUNT OF BONDS, PLUS ACCRUED INTEREST FROM <u>JANUARY 1, 1993</u>	NET INTEREST <u>COST</u>
J.J.B. Hilliard, W.L. Lyons, Inc.	\$20,629,523.05	5.35161%
Prudential Securities	\$20,603,025.00	5.50890%
Lehman Brothers	\$20,603,025.00	5.58030%
Clayton Brown & Assoc.	\$20,604,204.25	5.67260%

WHEREAS, the matter of which bid is the most advantageous and with the most favorable net interest cost to the University has been sufficiently considered.

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED AND ORDERED BY THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY, AS FOLLOWS:

1. Determination of Best Bid; Acceptance. That the bid of J.J.B. Hilliard, W.L. Lyons, Inc. for the purchase of said \$20,970,000 principal amount of University of Kentucky Hospital Refunding Revenue Bonds, Series A (Second Series), dated January 1, 1993, be accepted and confirmed, said bid being at a price of \$20,629,523.05 for said \$20,970,000 principal amount of Bonds, adjusted to a price of \$20,934,489.77 for \$21,280,000 principal amount of Bonds, plus accrued interest from January 1, 1993, to the date of delivery of the Bonds, such interest to be payable semiannually, commencing August 1, 1993, at the following annual rates:

<u>Maturing</u> <u>August 1</u>	<u>Maturity</u> <u>Amount</u>	<u>Rate</u>	<u>Maturing</u> <u>August 1</u>	<u>Maturity</u> <u>Amount</u>	<u>Rate</u>
1993	\$ 1,040,000	2.50 %	2000	\$ 1,525,000	5.00 %
1994	1,160,000	3.25 %	2001	1,600,000	5.00 %
1995	1,210,000	4.00 %	2002	1,680,000	5.20 %
1996	1,265,000	4.20 %	2003	1,765,000	5.30 %
1997	1,320,000	4.40 %	2004	1,860,000	5.40 %
1998	1,385,000	4.60 %	2005	1,955,000	5.50 %
1999	1,455,000	4.80 %	2006	2,060,000	5.50 %

and being a bid at an average net interest cost to the University of 5.35161 % per annum; and said bid is hereby determined to be the best bid and with the most favorable net interest cost to the University for said Bonds; and the interest rates on said Bonds are hereby fixed at the rates set out in said successful bid.

2. All Other Bids Rejected. That all other bids are hereby rejected, and the good faith deposit of the successful purchaser will be deposited prior to the end of business on January 20, 1993, in Bank One, Lexington, N.A., for the account of the University, and the amount thereof shall be credited (without interest) against the purchase price of the Bonds on the date of delivery to such purchaser.

3. Delivery of Bonds; Application of Proceeds. That said Bonds shall be delivered by the Treasurer and/or other appropriate officials of the University in accordance with the terms of the Resolution authorizing the Bonds, adopted by the University on December 8, 1992, as soon as said Bonds are printed, executed, authenticated and ready for delivery in accordance with such Resolution, and all of the proceeds of the Bonds shall be used only as provided in said Resolution.

4. Acceptance of Bid is Subject to Approving Legal Opinion of Bond Counsel. That said bid is accepted subject to the condition that such acceptance subjects the University to no obligation to deliver the Bonds if for any reason the University is unable to obtain the final approving legal opinion of the firm of Rubin Hays & Foley, Municipal Bond Attorneys, Louisville, Kentucky, as to said Bonds, or if such Bonds shall be subject to ad valorem taxation by the Commonwealth of Kentucky, or if the receipt of interest on said Bonds shall be subject to income taxation by the Federal Government or by the Commonwealth of Kentucky, prior to or on the delivery date of said Bonds; and the purchasers shall not be required to take delivery of said Bonds without the final approving opinion of said attorneys accompanying said Bonds, or if said Bonds or the interest thereon should become subject to such ad valorem or income taxation prior to such delivery; provided such exemption from taxation shall be subject to compliance by the Board of Trustees with certain covenants necessary to establish that interest on the Bonds will continue to be exempt from Federal income taxation under the Internal Revenue Code of 1986.

5. Approval of Official Statement. That the form of Official Statement prepared and presented to the Board of Trustees by J.J.B. Hilliard, W.L. Lyons, Inc., for distribution to prospective purchasers of the Series A (Second Series) Bonds is hereby approved and the Chairman and Secretary are authorized and directed to execute and deliver said Official Statement.

6. Repeal of Conflicting Resolutions. That all resolutions, or parts thereof, in conflict herewith, be and the same are hereby amended or repealed to the extent of such conflict, and this Resolution shall be effective immediately upon its adoption.

Passed and adopted by the Board of Trustees of the University of Kentucky at a properly convened meeting of the University held on January 19, 1993.

BOARD OF TRUSTEES
UNIVERSITY OF KENTUCKY

By Edward T. Beathitt
Chairman

Attest:

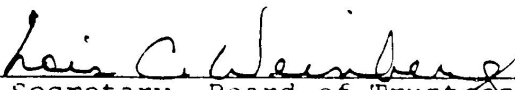
Lisa Weinberg
Secretary

CERTIFICATE

I hereby certify that I am the duly qualified and acting Secretary of the Board of Trustees of the University of Kentucky, and I certify further as follows:

1. That the foregoing is a true copy of a Resolution adopted by said Board; signed by the Chairman of the Board and attested under seal by me as Secretary of the Board at a properly convened meeting of said University held on January 19, 1993, as shown by the official records of said University in my custody and under my control;
2. That there are attached hereto reproduced duplicate copies of each of the bids received for the purchase of \$20,970,000 principal amount of University of Kentucky Hospital Refunding Revenue Bonds, Series A (Second Series), dated January 1, 1993, referred to in said Resolution;
3. That there is attached hereto the form of Official Statement for the Series A (Second Series) Bonds, approved by the foregoing Resolution; and
4. That said meeting was duly held in accordance with all applicable requirements of Kentucky law, including KRS 61.810, 61.815, 61.820 and 61.825, that a quorum was present at said meeting, that said Resolution has not been modified, amended, revoked or repealed, and that said Resolution is now in full force and effect.

IN TESTIMONY WHEREOF, witness my signature as Secretary and the official seal of said University this January 19, 1993.


Secretary, Board of Trustees

(Seal)

FCR 11

Members, Board of Trustees:

A RESOLUTION AUTHORIZING THE ISSUANCE OF UNIVERSITY OF KENTUCKY CONSOLIDATED EDUCATIONAL BUILDINGS REFUNDING REVENUE BONDS, SERIES F (SECOND SERIES), DATED MARCH 1, 1993, OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY

Recommendation: that the Board of Trustees approve a Resolution authorizing the issuance of \$6,340,000 of University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series F (Second Series), dated March 1, 1993.

The Resolution authorizes the issuance of \$6,340,000 of Series F (Second Series) Bonds for the purpose of financing (i) the redemption on May 1, 1993, of the outstanding University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series F, dated May 1, 1976, maturing on May 1, 1994 through 2002, the proceeds of which Series F Bonds were used to construct the Fine Arts Center on the campus of the University in Fayette County in the Commonwealth of Kentucky, which is a part of the University of Kentucky Consolidated Educational Buildings Project of the University (the "Project").

The Resolution also approves a Notice of Bond Sale, Official Terms and Conditions of Sale of Bonds, Bid Form and preliminary form of Official Statement, all contemplating that the Bonds be sold on the advice of the Fiscal Agent, J.J.B. Hilliard, W.L. Lyons, Inc., in the month of March on a date to be selected.

Background: The University presently has outstanding fifteen series of University of Kentucky Consolidated Educational Buildings Project Revenue Bonds, Series C, D, E, F, G, G (Second Series), H, H (Second Series), I, I (Second Series), J, K, L, M and N, all secured by a pledge of the Revenues (registration fees) and by a statutory mortgage lien against all of the buildings of the Project. These Series F (Second Series) Bonds are issued for the purpose of financing (a) the refunding of the outstanding Series F Bonds maturing on May 1, 1994 through 2002, at a redemption price of 102% of the principal amount redeemed, (b) the funding of the Required Debt Service Reserve, if not already funded, and (c) the cost of issuance of the Series F (Second Series) Bonds. The Bond Resolution approves the appointment of Bank One, Lexington, NA., (formerly, First Security National Bank & Trust Company), Lexington, Kentucky, as Trustee, Bond Registrar, Transfer Agent, Payee Bank and Depository Bank, with respect to these Bonds, provides for the execution of the appropriate parity certification establishing that the "coverage" of projected income of the Project over debt service requirements will meet the 1.25 test necessary to establish that the Series F (Second Series) Bonds will rank on a parity with the outstanding Series C through N Bonds and the Series G (Second Series), Series H (Second Series) and Series I (Second Series) Bonds.

Action: Approved ☒ Disapproved ☐ Other ☐

Dated: January 19, 1993

January 19, 1993

SERIES F (SECOND SERIES)

Principal Amount of Series F Bonds to be redeemed	\$6,120,000.00
Redemption Premium	122,400.00
Bond Discount	63,400.00
Cost of Issuance (estimated)	34,200.00
Total	\$6,340,000.00

RESOLUTION AUTHORIZING THE ISSUANCE

OF

\$6,340,000

OF

UNIVERSITY OF KENTUCKY
CONSOLIDATED EDUCATIONAL BUILDINGS REFUNDING REVENUE BONDS,
SERIES F (SECOND SERIES),
DATED MARCH 1, 1993,

OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY

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RESOLUTION

A RESOLUTION AUTHORIZING THE ISSUANCE OF UNIVERSITY OF KENTUCKY CONSOLIDATED EDUCATIONAL BUILDINGS REFUNDING REVENUE BONDS, SERIES F (SECOND SERIES), DATED MARCH 1, 1993, OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF KENTUCKY.

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

"A RESOLUTION OF THE BOARD OF TRUSTEES OF UNIVERSITY OF KENTUCKY, A STATE SUPPORTED INSTITUTION OF HIGHER LEARNING OF THE COMMONWEALTH OF KENTUCKY, CREATING AND ESTABLISHING A CONSOLIDATED EDUCATIONAL BUILDINGS PROJECT OF SAID UNIVERSITY OF KENTUCKY; CREATING AND ESTABLISHING AN ISSUE OF CONSOLIDATED EDUCATIONAL BUILDINGS REVENUE BONDS OF THE BOARD OF TRUSTEES OF SAID UNIVERSITY OF KENTUCKY; PROVIDING FOR THE ISSUANCE OF SUCH BONDS FROM TIME TO TIME; AND PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SAID BONDS FROM REVENUES IN SUCH MANNER AS NOT TO CONSTITUTE INDEBTEDNESS OF THE BOARD, THE UNIVERSITY, OR THE COMMONWEALTH,"

heretofore adopted on September 20, 1960 (the "Basic Resolution" or "Resolution"), has created and established an issue of University of Kentucky Consolidated Educational Buildings Revenue Bonds of the Board of Trustees of the University of Kentucky (the "Bonds"); and

WHEREAS, the Basic Resolution authorizes the issuance by said Board of said Bonds in one or more Series pursuant to a new resolution authorizing each such Series; and

WHEREAS, the Board has previously authorized, sold, issued, and has outstanding fifteen prior issues of Bonds designated "University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series C, Series D (Refunding), Series E, Series F, Series G, Series H, Series I, Series J, Series K, Series L, Series M and Series N" (all of the Series A and Series B Bonds having been retired), and "University of Kentucky Consolidated Educational Buildings Refunding Revenue Bonds, Series G (Second Series), Series H (Second Series) and Series I (Second Series), the Series G (Second Series) and Series H (Second Series) Bonds having been issued to defease on May 1, 1993, the Series G and Series H Bonds scheduled to mature on May 1, 1994 through 2003, and the Series I (Second Series) Bonds having been issued to defease on May 1, 1996, the Series I Bonds scheduled to mature on May 1, 1997 through 2006; and has determined that the Board is in compliance with the conditions set forth in Section 7.10 of the Basic Resolution relative to the issuance of the Series F (Second Series) Bonds (authorized

herein) on a basis of parity and equality as to security and source of payment with such outstanding Bonds of Series C, D (Refunding), E, F, G, H, I, J, K, L, M, N and G (Second Series), H (Second Series) and I (Second Series) (hereinafter the "Series C through N Bonds"); and

WHEREAS, there are presently outstanding \$6,260,000 of the Series F Bonds, dated May 1, 1976, bearing interest rates ranging from 6.10% per annum to 6.60% per annum, scheduled to mature on May 1 in each of the respective years 1993 through 2002; and

WHEREAS, because of favorable interest rates currently available in the marketplace, the Board has determined that \$6,120,000 of the outstanding Series F Bonds scheduled to mature on May 1, 1994 through 2002, be called for redemption on May 1, 1993, which is the next date permitted by the Series F Resolution, and that the Board authorize at this time the issuance of \$6,340,000 of "University of Kentucky Consolidated Educational Buildings Refunding Revenue Bonds, Series F (Second Series)," to effect such refunding and redemption, said Series F (Second Series) Bonds to rank on a parity with said Series C through N Bonds.

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

ARTICLE I DEFINITIONS AND AUTHORITY

Section 1.1. Series F (Second Series) Resolution. This Resolution (the "Series F [Second Series] Resolution") is adopted in accordance with Article II, Section 2.03, of the Basic Resolution.

Section 1.2. Definitions.

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

B. In this Series F (Second Series) Resolution, unless the context shall indicate otherwise, the following terms shall have the following respective meanings:

"ALL BONDS" or "OUTSTANDING BONDS" refers to all bonds outstanding against and payable from the revenues of the Project, including (a) the Series C through N Bonds, plus (b) the Series F (Second Series) Bonds, and (c) any and all future Bonds ranking on a parity therewith.

"BASIC RESOLUTION" or "RESOLUTION" refers to the original Resolution adopted on September 20, 1960, creating and establishing the Consolidated Educational Buildings Project and creating,

establishing, and authorizing the issuance of Consolidated Educational Buildings Revenue Bonds of the Board of Trustees of the University of Kentucky.

"BOARD" refers to the Board of Trustees of the University of Kentucky, and shall include the Executive Committee of the Board acting pursuant to authorization of and/or with ratification by said Board of Trustees.

"BOND REGISTER" means the books and records maintained by the Bond Registrar as to the registered ownership and transfers of ownership of the Series F (Second Series) Bonds, from time to time.

"BOND REGISTRAR," "REGISTRAR," "PAYEE BANK" or "TRANSFER AGENT" refers to Bank One, Lexington, NA (formerly, First Security National Bank & Trust Company), Lexington, Kentucky, which shall constitute the Bond Registrar, Transfer Agent and Payee Bank, with respect to the Series F (Second Series) Bonds authorized herein, which Bank shall have the duties and responsibilities of (a) issuing semiannual checks in payment of interest requirements as to the Series F (Second Series) Bonds, (b) payment of the principal as same matures upon surrender of the Series F (Second Series) Bonds, (c) authenticating, issuing and delivering the Series F (Second Series) Bonds to the Original Purchasers of same in accordance with the sale of the Series F (Second Series) Bonds, at the direction of the Board, (d) maintaining the Bond Register, (e) handling exchanges, cancellations, reissuance, redemption, and all appurtenant duties of a Bond Registrar and Transfer Agent with respect to the Series F (Second Series) Bonds, as hereinafter set out, and (f) serving as depository of all funds in connection with the Series F (Second Series) Bonds and All Bonds, as defined herein.

"CODE" refers to the Internal Revenue Code of 1986, as amended.

"DEBT SERVICE RESERVE" refers to the portion of the Bond Fund in excess of the aggregate principal, interest, and Bond Fund Charges of All Bonds for the ensuing year, which excess portion shall constitute the "Debt Service Reserve" created and provided for in Section 405(3) of the Basic Resolution.

"FINANCE CABINET" refers to the Finance and Administration Cabinet of the Commonwealth of Kentucky or its successor by whatever name designated.

"FISCAL AGENT" refers to J.J.B. Hilliard, W.L. Lyons, Inc., P.O. Box 32760, 501 South Fourth Avenue, Louisville, Kentucky 40232-2760.

"INTEREST PAYMENT DATE" refers to May 1 and November 1 of each year, commencing November 1, 1993.

"ORIGINAL PURCHASERS" or "PURCHASERS" refers to the original purchasers of the Series F (Second Series) Bonds at the

public sale, including all members of the approved purchasing syndicate or group.

"PROJECT" refers to the University of Kentucky Consolidated Educational Buildings Project, consisting of all educational buildings and necessary appurtenances on the campus of the University of Kentucky in Lexington, Kentucky, and all such buildings hereafter erected on such campus and elsewhere in Fayette County, Kentucky.

"RECORD DATE" shall mean with respect to any interest payment date, the close of business on April 15 or October 15, as the case may be, next preceding such Interest Payment Date, whether or not such April 15 or October 15 is a business day.

"REQUIRED CURRENT DEBT SERVICE RESERVE ACCUMULATION" refers to the amount required at any given time to have been accumulated toward the goal of the "Required Debt Service Reserve," based on All Bonds outstanding, including the additional amounts required to have been deposited in each year to date (and scheduled to continue for a period of four years) in such Reserve as a result of the issuance of one or more additional Series of Bonds, until the total Required Debt Service Reserve is accumulated.

"REQUIRED DEBT SERVICE RESERVE" refers to the amount required to be accumulated and maintained in the Debt Service Reserve portion of the Bond Fund, which required amount is an amount equal to 100% of maximum Aggregate Principal, Interest, and Bond Fund Charges falling due on All Bonds in any twelve month period.

"SECRETARY," "SECRETARY OF FINANCE CABINET" or "SECRETARY OF THE CABINET" refers to the Secretary of the Finance and Administration Cabinet of the Commonwealth of Kentucky, and each and every officer of the Commonwealth who may hereafter be authorized to exercise powers and authority similar to those vested by law in said Secretary; and each and every Deputy Secretary or other similar officer authorized by law to exercise the powers and authority presently vested by law in the Secretary.

"SERIES F (SECOND SERIES) BONDS" or "THESE BONDS" shall mean the Bonds authorized by Article II of this Series F (Second Series) Resolution.

"SERIES F (SECOND SERIES) RESOLUTION" or "THIS RESOLUTION" refers to this Resolution authorizing the Series F (Second Series) Bonds.

"TRUSTEE" or "TRUSTEE-REGISTRAR" refers to Bank One, Lexington, NA, (formerly, First Security National Bank & Trust Company), Lexington, Kentucky, as more fully defined under "BOND REGISTRAR."

Section 1.3. Statutory Authority. This Series F (Second Series) Resolution is adopted pursuant to the provisions of Section 162.340, et seq., and 58.010 through 58.140 of the Kentucky Revised Statutes (the "Enabling Acts") and the Basic Resolution.

ARTICLE II
AUTHORIZATION OF SERIES F (SECOND SERIES) BONDS

Section 2.1. Series F (Second Series) Bonds Authorized. Pursuant to the provisions of the Basic Resolution, there is hereby authorized to be issued by the Board of Trustees of the University of Kentucky, in its corporate capacity, a sixteenth Series of Bonds in the aggregate principal amount of SIX MILLION THREE HUNDRED FORTY THOUSAND DOLLARS (\$6,340,000). Such Bonds shall be designated "University of Kentucky Consolidated Educational Buildings Refunding Revenue Bonds, Series F (Second Series)." Said Series F (Second Series) Bonds are hereby declared to have been authorized under the Basic Resolution and in conformity with the provisions of Section 7.10 of the Basic Resolution.

Section 2.2. Purpose of Issue. Said Series F (Second Series) Bonds are being issued for the purpose of (a) refunding, on May 1, 1993, the outstanding Series F Bonds scheduled to mature on May 1, 1994 through May 1, 2002, at a redemption price of 102% of the principal amount redeemed, (b) funding the Required Debt Service Reserve, if not fully funded at the time of delivery of the Series F (Second Series) Bonds, and (c) paying the costs of issuance of the Series F (Second Series) Bonds. The Series F Bonds scheduled to mature on May 1, 1993, and the interest accruing thereon, shall be paid as and when due.

Section 2.3. Date and Maturities of Bonds. Except as set out in Section 2.5 hereof, the Series F (Second Series) Bonds shall be dated March 1, 1993, and bear interest payable on each Interest Payment Date (May 1 and November 1 of each year), commencing November 1, 1993. The Series F (Second Series) Bonds shall be numbered consecutively from R-1 upward, or in such other manner as shall be determined by the Trustee-Registrar, and shall be scheduled to become due and payable on May 1 of the respective years, as follows:

<u>Maturity Date</u> <u>May 1,</u>	<u>Principal</u> <u>Maturity</u>	<u>Maturity Date</u> <u>May 1,</u>	<u>Principal</u> <u>Maturity</u>
1994	\$ 145,000	1999	\$1,140,000
1995	195,000	2000	1,270,000
1996	215,000	2001	1,405,000
1997	215,000	2002	1,525,000
1998	230,000		

Section 2.4. Series F (Second Series) Bonds to be Issued as Fully Registered Bonds. The Series F (Second Series) Bonds shall be issued only in fully registered form, without coupons, in the denomination of \$5,000 or any authorized multiple thereof within a single maturity.

Section 2.5. Interest Payment Dates. Each Series F (Second Series) Bond shall bear interest from the Interest Payment Date to which interest has been paid next preceding the date on

which such Series F (Second Series) Bond is authenticated by the Registrar, unless such Series F (Second Series) Bond is authenticated on an Interest Payment Date to which interest has been paid, in which event it shall bear interest from such date, or if such Series F (Second Series) Bond is authenticated prior to the first Interest Payment Date, such Series F (Second Series) Bonds shall bear interest from March 1, 1993. Interest on the Series F (Second Series) Bonds shall be payable commencing November 1, 1993, and on each May 1 and November 1 thereafter to maturity or earlier redemption.

Section 2.6. Registered Owners. The person in whose name any Bond is registered on the Bond Register at the Record Date with respect to an Interest Payment Date shall be entitled to receive the interest payable on such Interest Payment Date (unless such Bond shall have been called for redemption on a redemption date which is prior to such Interest Payment Date) notwithstanding the cancellation of such Bond upon any registration of transfer or exchange thereof subsequent to such Record Date and prior to such Interest Payment Date, except in the event of default.

Section 2.7. Payment of Interest and Principal of Bonds. The principal of (redemption price, if redeemed prior to maturity) and interest on the Series F (Second Series) Bonds shall be payable in lawful money of the United States of America as same respectively become due. The principal of each Series F (Second Series) Bond is payable upon surrender of same at the main office of the Payee Bank and Bond Registrar. Interest on the Series F (Second Series) Bonds shall be paid by check mailed by the Payee Bank on or before each Interest Payment Date to the owners of the Bonds shown on the Bond Register as of the end of business on the Record Date, at the respective addresses appearing on the Bond Register.

So long as any of the Series F (Second Series) Bonds remain outstanding, the Registrar shall keep at its principal office a Bond Register showing and recording a register of the owners of the Series F (Second Series) Bonds and shall provide for the registration and transfer of such Bonds in accordance with the terms of this Resolution, subject to such reasonable regulations as the Registrar may prescribe.

Section 2.8. Execution of Bonds; Authentication by Trustee-Registrar; Transferability; Temporary Bond. The Series F (Second Series) Bonds shall be executed on behalf of the Board with the reproduced facsimile signature of the Chairman of the Board, and the facsimile of the Corporate Seal of the Board shall be imprinted thereon and attested by the reproduced facsimile signature of the Secretary of the Board; and said officials, by the execution of appropriate certifications, shall adopt as and for their own proper signatures, their respective facsimile signatures on said Bonds; provided the Authentication Certificate of Trustee on each printed Bond must be executed by the manual signature of the Trustee (not necessarily the same authorized officer of the

Trustee on each Bond) on each Bond before such Bond shall be valid, as set out in Section 2.13 below.

Pending the preparation of definitive Bonds, the Series F (Second Series) Bonds may be delivered in the form of one or more temporary Bonds, which may be printed, lithographed, typewritten, mimeographed or otherwise reproduced, in any denomination, substantially of the tenor of the definitive Bonds in lieu of which they are delivered, in registered form, and with such appropriate insertions, omissions, substitutions and other appropriate and necessary variations as the Board may determine, as evidenced by the execution of such temporary Bonds.

Until exchanged for Series F (Second Series) Bonds in definitive form, such temporary Bonds shall be entitled to the benefit and security of this Resolution. The Board shall, without unreasonable delay, cause to have prepared, executed and delivered printed Bonds to the Original Purchasers and/or their designees, and thereupon, upon the presentation and surrender of the temporary Bonds, such printed Bonds shall be delivered to the Original Purchasers and/or their designees in exchange therefor. Such exchange shall be made without the making of any charge therefor to any owner of the Series F (Second Series) Bonds.

Arrangements shall be made for the printing of sufficient Bond Certificates to enable the Trustee-Registrar to maintain an adequate reserve supply of such Bond Certificates as same are sold, exchanged, and/or otherwise surrendered in the future. Notwithstanding anything contained herein, the Trustee-Registrar shall have the right to order the preparation or printing of additional Bond Certificates which, in the sole discretion of the Trustee-Registrar, shall be necessary to maintain adequate reserves of such Bond Certificates to properly effect the continuing transfers of ownership of Bond Certificates. No further action regarding the authorization of additional Bond Certificates shall be required by the Board, and the expenses incidental thereto shall be borne by the Board as additional annual requirements of the Series F (Second Series) Bonds, the same as interest thereon.

At least five business days prior to the payment of the purchase price for the Bonds (the "Closing Date") each of the Original Purchasers shall furnish to the Registrar the name, address, social security number or taxpayer identification number of each party to whom the Bonds shall have been resold and in whose name the respective Bonds are to be registered, and the principal amounts and maturities thereof. The Trustee-Registrar shall then issue and deliver to each respective Purchaser on the Closing Date fully registered printed Bond Certificates for each registered owner so designated, in substantially the same form as that set out in Section 2.14 hereof.

All of the Series F (Second Series) Bonds shall be exchangeable and transferable upon the presentation and surrender thereof at the office of the Trustee-Registrar, duly endorsed for

transfer or accompanied by an assignment duly executed by the registered owner and/or his authorized representative, for a Bond or Bonds of the same maturity and interest rate and in the denomination of \$5,000 and/or a multiple thereof within a single maturity, in an aggregate principal amount or amounts equal to the unpaid principal amount of the Bond and/or Bonds presented for exchange. The Trustee-Registrar shall be and is hereby authorized to (authenticate and) deliver the exchange Bond in accordance with the provisions of this Section. Each exchange Bond delivered in accordance with this Section shall constitute an original contractual obligation of the Board and shall be entitled to the benefit and security of this Resolution to the same extent as the Bond or Bonds in lieu of which such exchange Bond is delivered.

In the event of non-payment of interest or of one or more principal maturities on a scheduled Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment or for such maturity or maturities ("Special Record Date") will be established by the Trustee-Registrar if and when funds for the payment of such interest shall have been received from the Board. Notice of the Special Record Date and of the Special Payment Date of the past due interest shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each owner of the Bonds, as shown on the Bond Register, of such maturity or maturities appearing on the books of the Trustee-Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

Section 2.9. Provisions as to Prior Redemption. The Series F (Second Series) Bonds shall not be subject to redemption prior to maturity.

Section 2.10. Transferability. Title to any Series F (Second Series) Bond shall be transferable only upon the, presentation and surrender of same at the main office of the Trustee-Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his authorized representative, such transfer to be made on such books and endorsed on the Bond by the Registrar.

Section 2.11. Designation of Trustee (Bond Registrar, Transfer Agent, and Payee Bank). For the purpose of securing the payment of both the principal of and interest on all of the Series F (Second Series) Bonds, and to secure for the benefit of all the owners thereof the faithful performance of the covenants and provisions contained in the Resolution in the manner and to the extent permitted and provided in this Series F (Second Series) Resolution and in Section 162.340, et seq., and 58.010 through 58.140 of the Kentucky Revised Statutes, Bank One, Lexington, NA (formerly, First Security National Bank & Trust Company), in the City of Lexington, Kentucky, is hereby designated as Trustee, Bond Registrar, Transfer Agent, and Payee Bank under the Basic Resolution and this Series F (Second Series) Resolution for the owners of

all of said Series F (Second Series) Bonds, with the powers and duties set forth in the Basic Resolution and in this Series F (Second Series) Resolution and with no liability in connection with any action or omission to act under the Basic Resolution or under this Series F (Second Series) Resolution except for its own negligence or willful breach of trust. Execution of the Authentication Certificate of the Trustee-Registrar on the respective Series F (Second Series) Bonds, shall conclusively establish the acceptance by the Trustee-Registrar of the trusts and provisions with respect thereto as set forth in this Resolution. Acceptance of the duties of Trustee-Registrar shall also be evidenced by the execution of the appropriate form of Acceptance immediately following the end of this Series F (Second Series) Resolution.

Section 2.12. Security for Series F (Second Series) Bonds; Statutory Mortgage Lien; Revenue Pledge. For the protection of the holders and owners of the Bonds secured by the Basic Resolution and this Resolution, a statutory mortgage lien upon the Project and properties connected therewith and belonging thereto, on a parity with All Bonds, is granted and created by and pursuant to Sections 162.350 and 162.200 of the Kentucky Revised Statutes, which said statutory mortgage lien is hereby recognized and declared to be valid and binding as provided by law, and shall take effect immediately upon the delivery of any and all of the Series F (Second Series) Bonds, ranking on a parity with the outstanding Series C through N Bonds.

All of the Series F (Second Series) Bonds are payable only from the Gross Revenues derived from the operation of the Project, ranking on a parity with the outstanding Series C through N Bonds, and the Series F (Second Series) Bonds shall not and do not constitute an 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.

Section 2.13. Authentication of Bonds. No Series F (Second Series) Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Resolution unless and until such Bond has been duly authenticated by the Trustee-Registrar by the execution of the Authentication Certificate of Trustee-Registrar appearing on such Bond. Such Certificate appearing on any Bond shall be deemed to have been duly executed by the Trustee-Registrar if manually signed by an authorized officer of the Trustee-Registrar. It shall not be required that the same officer of the Trustee-Registrar sign such Certificate on all of the Series F (Second Series) Bonds.

Section 2.14. Form of Bonds. The aforesaid authorized issue of Series F (Second Series) Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA
COMMONWEALTH OF KENTUCKY
UNIVERSITY OF KENTUCKY
CONSOLIDATED EDUCATIONAL BUILDINGS REFUNDING REVENUE BOND
SERIES F (SECOND SERIES)

NUMBER R-_____

PRINCIPAL AMOUNT:
(DOLLARS)

DATE OF ORIGINAL ISSUE: INTEREST RATE:

CUSIP:

March 1, 1993

REGISTERED OWNER:

PRINCIPAL AMOUNT:

The Board of Trustees of the University of Kentucky (the "Board"), a body corporate, as an educational institution and agency and a political subdivision of the Commonwealth of Kentucky, for value received, hereby promises to pay to the Registered Owner, identified above, or his or its registered assigns, solely from the special fund hereinafter identified, upon presentation and surrender of this Bond, the Principal Amount set out above on the Maturity Date specified above and to pay interest on said sum at the per annum Interest Rate specified above, from the interest payment date to which interest has been paid next preceding the date on which this Bond is authenticated, unless this Bond is authenticated on an interest payment date to which interest has been paid, in which event this Bond shall bear interest from such date, or if this Bond is authenticated prior to the first interest payment date, this Bond shall bear interest from the date of original issue set out above, commencing November 1, 1993, and semiannually thereafter on May 1 and November 1 of each year until payment of the Principal Amount, except as the provisions hereinafter set forth with regard to redemption prior to maturity may be and become applicable. The principal of and redemption price, if any, on this Bond are payable in lawful money of the United States of America at the main office of Bank One, Lexington, NA (formerly, First Security National Bank & Trust Company), Lexington, Kentucky (the "Trustee," "Bond Registrar," and "Payee Bank"). All interest on this Bond shall be payable by check or draft mailed by the Trustee-Registrar to the Registered Owner hereof at the address shown on the registration books kept by the Trustee.

This Bond is one of a duly authorized issue of \$6,340,000 principal amount of Bonds (said Bonds being hereinafter sometimes collectively referred to as "the Bonds," "these Bonds" or "the Series F [Second Series] Bonds"), issued in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky, including Sections 162.340 to 162.380, and 58.010 through 58.140 of the Kentucky Revised Statutes, now in full force and effect, and

under and pursuant to the Resolution adopted by the Board on September 20, 1960 (the "Basic Resolution"), and the Resolution adopted on January 19, 1993, authorizing the Series F (Second Series) Bonds (the "Series F [Second Series] Resolution"), issuable as fully registered Bonds in the denominations of \$5,000 and any authorized multiple thereof within the same maturity, for the purpose of financing (a) the redemption on May 1, 1993, of the outstanding University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series F, dated May 1, 1976, maturing on May 1, 1994 through May 1, 2002, the proceeds of which Series F Bonds were used for the purpose of erecting certain educational buildings and necessary appurtenances upon the property of the University in Fayette County, Kentucky, which buildings and appurtenant facilities are a part of the Consolidated Educational Buildings Project of said University (the "Project"), (b) the amount necessary, if any, to fully fund the Required Debt Service Reserve, and (c) the costs of issuance of the Series F (Second Series) Bonds. Copies of the Basic Resolution and the Series F (Second Series) Resolution are on file at the office of the Trustee.

As provided in the Series F (Second Series) Resolution, these Series F (Second Series) Bonds, together with the outstanding Bonds of Series C, Series D (Refunding), Series E, G, H, I, J, K, L, M and N and Series G (Second Series) issued to refund on May 1, 1993, the Series G Bonds maturing May 1, 1994-2003, Series H (Second Series) issued to refund on May 1, 1993, the Series H Bonds maturing May 1, 1994-2003, and Series I (Second Series) issued to refund on May 1, 1996, the Series I Bonds maturing May 1, 1997-2006 (all of the Series A and B Bonds having been retired), and any additional Parity Bonds which may hereafter be issued and outstanding under the terms of the Basic Resolution and subsequent Series Resolutions (hereinafter all references to said outstanding Bonds of Series C, Series D [Refunding], Series E, G, H, I, J, K, L, M and N, and Series G [Second Series], Series H [Second Series] and Series I [Second Series], and any additional Parity Bonds shall be collectively referred to as "All Bonds"), are and will be payable from and constitute a first charge and lien upon the Revenues (as defined in the Basic Resolution) to be derived by the University from the operation of its Consolidated Educational Buildings Project. The fee imposed upon and collected from all students enrolled in the University at the Lexington Campus as an incident to registration at the beginning of each semester of the regular academic year and each summer session, including fees imposed for part-time students, night school and extension courses, is designated as the source of Revenues of the Project. Such fees are known as the Student Registration Fees, and the Board has covenanted on behalf of the University that such fees 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 that such costs are not otherwise provided. All collections of the Student Registration Fees are to be set aside, as received, into the Consolidated Educational Buildings Project Revenue Fund (the

"Revenue Fund") and are made subject to a first pledge, lien, and charge for the security and source of payment of All Bonds.

The Basic Resolution provides for the creation of a special account designated "Consolidated Educational Buildings Project Bond and Interest Sinking Fund" (the "Bond Fund") and for the deposit from the Revenue Fund to the credit of the Bond Fund of a fixed amount of the gross Revenues of the Project sufficient to pay interest on All Bonds as the same become due, to pay or retire the principal of All 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 aggregate principal amount of Bonds which may be issued under the Basic Resolution is not limited except as provided in such Basic Resolution, and all Bonds issued and to be issued under the Basic Resolution are and will be equally secured by the pledges and covenants made therein, except as otherwise expressly provided or permitted in the Basic Resolution.

As further security for these Series F (Second Series) Bonds, a statutory mortgage lien, which is hereby recognized as valid and binding on the Project and properties connected therewith and belonging thereto, on a parity with All Bonds, is created and granted to and in favor of the owner(s) of these Series F (Second Series) Bonds, pursuant to Sections 162.350 and 162.200 of the Kentucky Revised Statutes, which said statutory mortgage lien shall take effect immediately upon the delivery of any and all of the Series F (Second Series) Bonds, and the Project shall remain subject to such statutory mortgage lien until the payment in full of the principal of and interest on All Bonds, including the Series F (Second Series) Bonds.

All Bonds as may be outstanding from time to time are payable only from the gross Revenues derived from the operation of the Project, a sufficient amount of which revenues will be annually set aside into the Bond Fund, and this Bond does not constitute an indebtedness of the University of Kentucky, its Board, or the Commonwealth of Kentucky within the meaning of any provisions or limitations of the Constitution of the Commonwealth of Kentucky.

This Bond is transferable by the Registered Owner hereof in person or by his attorney duly authorized in writing at the main office of the Trustee-Registrar, but only in the manner, subject to the limitations provided in the Series F (Second Series) Resolution, and upon surrender and cancellation of this Bond, duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner or his authorized representative. Upon such transfer being effected, a new fully registered Bond or Bonds of the same series and the same maturity of authorized denomination, for the same aggregate principal amount, and the same interest rate, will be issued to the transferee in exchange herefor.

The Board and the Trustee-Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and redemption price, if any, hereon, and interest due hereon, and for all other purposes, and neither the Board nor the Trustee-Registrar shall be affected by any notice to the contrary.

The owner of this Bond shall have no right to enforce the provisions of the Basic Resolution or the Series F (Second Series) Resolution, to institute action to enforce the covenants therein, to take any action with respect to any default under such Resolutions, or to institute, appear in, or defend any suit or other proceedings with respect thereto, except as provided in such Resolutions. The Basic Resolution provides for fixing, charging, and collecting fees for the services of the Project, which fees will be sufficient to pay the principal of and interest on All Bonds as the same become due, to provide a reserve for such purpose, and also to pay the cost of operation and maintenance of the Project to the extent that same are not otherwise provided.

Reference is made to such Basic Resolution and Series F (Second Series) Resolution (a) pursuant to which Bank One, Lexington, NA (formerly, First Security National Bank & Trust Company), in the City of Lexington, Kentucky, has been designated as Trustee and Bond Registrar, Payee Bank, and Transfer Agent for the owners of the Series F (Second Series) Bonds, (b) for the provisions, among others, with respect to the custody and application of the proceeds of the Series F (Second Series) Bonds, (c) the rights, duties, and obligations of the Board and of the Trustee, and (d) the rights of the owners of these Series F (Second Series) Bonds; and by the acceptance of this Bond, the Registered Owner hereof assents to all of the provisions of said resolutions.

The Series F (Second Series) Bonds are not subject to redemption prior to maturity.

This Bond is exempt from taxation (except inheritance taxes) by the Commonwealth of Kentucky and all of its political subdivisions.

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 that the amount of this Bond, together with all other obligations of the Board and of said University of Kentucky, does not violate any provision or exceed any limit prescribed by the Constitution or Statutes of Kentucky; that the 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 the Bond Fund (created in the Basic Resolution) for the payment of the principal of and interest on this Bond and All Bonds which by their terms and the terms of the Basic Resolution, the Series F (Second Series) Resolution, and all

previous Series Resolutions, are payable from the 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, and attested by the reproduced facsimile signature of its Secretary, dated as of March 1, 1993; provided, however, that this Bond shall not be valid or obligatory for any purpose or be entitled to any security or benefit under the Series F (Second Series) Resolution pursuant to which it was authorized until the Authentication Certificate of Trustee-Registrar printed hereon shall have been executed by the manual signature of a duly authorized representative of the Trustee-Registrar.

UNIVERSITY OF KENTUCKY
Lexington, Kentucky

By _____ (Facsimile Signature)
Chairman, Board of Trustees

Attest:

(Facsimile Signature)
Secretary, Board of Trustees

(Facsimile Seal of Board of Trustees)

THE AUTHENTICATION DATE OF THIS BOND IS: _____

(FORM OF AUTHENTICATION CERTIFICATE OF TRUSTEE-REGISTRAR)

AUTHENTICATION CERTIFICATE OF TRUSTEE-REGISTRAR

This is to certify that this Bond is one of the Bonds referred to in the within Bond and in the Series F (Second Series) Resolution authorizing same. Printed on the reverse hereof is the complete text of the opinion of Bond Counsel, Rubin Hays & Foley, 200 South Fifth Street, Louisville, Kentucky, a signed original of which is on file with the undersigned, delivered and dated on the date of the original delivery and payment for the Bonds.

BANK ONE, LEXINGTON, NA
Lexington, Kentucky
Trustee and Bond Registrar

By _____
Authorized Officer

(FORM OF ASSIGNMENT)

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and hereby irrevocably constitutes and appoints _____ attorney to transfer said Bond on the books kept for registration and transfer of this Bond, with full power of substitution in the premises.

Dated: _____

Registered Owner

(Signature must correspond with name of Registered Owner as it appears on the front of this Bond in every particular, without alteration, enlargement, or any change whatsoever.)

Social Security or other taxpayer
identification number of Assignee:

Signature Guaranteed:

Notice: Signature(s) must be
guaranteed by a member firm of the
New York Stock Exchange, Inc., or
a commercial bank or trust company

(Customary abbreviations as to form of Title)

ARTICLE III
PUBLIC SALE OF SERIES F (SECOND SERIES) BONDS; COMPLIANCE WITH
PARITY REQUIREMENTS; DISPOSITION OF PROCEEDS OF
SERIES F (SECOND SERIES) BONDS

Section 3.1. Advertisement of Series F (Second Series) Bonds for Sale. The Series F (Second Series) Bonds shall be offered publicly for sale upon the basis of sealed, competitive bids at such time as the Board (or the Executive Committee of the Board) shall designate by duly adopted Motion or Resolution.

The Treasurer of the Board is hereby authorized and directed to cause an appropriate form or forms of a Notice of Sale of Bonds to be published in THE COURIER-JOURNAL, a legal newspaper published in the City of Louisville, Kentucky, which will afford statewide notice of the sale, and in THE 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 notice for the Board within the meaning and provisions of KRS Chapter 424. Such notice shall be published in said newspaper and financial journal at least once not less than seven nor more than twenty-one days prior to the scheduled date of sale of the Series F (Second Series) Bonds.

A suggested form of Notice of Sale of Bonds, a suggested form of Official Terms and Conditions of Sale of Bonds, and a suggested form of Official Bid Form, having been prepared by Bond Counsel in cooperation with the Fiscal Agent, and same, together with a suggested form of Preliminary Official Statement having been examined by this Board, same are hereby approved for such purposes, and a copy of each is hereby ordered to be attached to this Resolution and to the minutes of the meeting at which this Resolution is adopted. The notice of Sale of Bonds shall be signed by the Treasurer of the University and may be used for the purpose of publishing notice of the sale of the Bonds. The Preliminary Official Statement having been prepared by the Board's Fiscal Agent on behalf of the Board in conjunction with the sale, containing all pertinent information in regard to the Series F (Second Series) Bonds, and in regard to the University, and which Preliminary Official Statement is to be supplied to prospective bidders for the purchase of the Series F (Second Series) Bonds, and said Preliminary Official Statement having been reviewed and considered by the Board, same is hereby authorized, ratified and approved in substantially the form attached hereto, and the Chairman and the Treasurer are hereby authorized to sign said Preliminary Official Statement and the final Official Statement with such changes as approved by the Treasurer on behalf of the Board to evidence such approval. Copies of said documents (Notice, Official Terms, Bid Form, and Preliminary Official Statement) shall be furnished to a list of known interested bidders and to any interested parties who may request same.

Bidders shall be advised that J.J.B. Hilliard, W.L. Lyons, Inc., Louisville, Kentucky, has been employed as Fiscal Agent in connection with the issuance of these Series F (Second Series) Bonds, that their fee for services rendered with respect to the sale of the Series F (Second Series) Bonds is contingent upon the issuance and delivery of the Series F (Second Series) Bonds, and that they may submit a bid for the purchase of the Series F (Second Series) Bonds at the time of the advertised public sale of the Series F (Second Series) Bonds, either individually or as the member of a syndicate organized to submit a bid for the purchase of the Series F (Second Series) Bonds.

Upon the date and at the respective hour set forth for the opening and consideration of purchase bids, as provided in the instruments hereinabove approved, the sealed bids theretofore received by the Treasurer and the Finance Committee of the Board shall be publicly opened and publicly read by the Treasurer and later delivered to the Board and again publicly read by the presiding officer of the Board. If there shall be one or more bids which conform in all respects to the prescribed terms and conditions, such bids shall be compared, and the Board agrees that if a bid is accepted, it will accept the best of such bids, as measured in terms of the lowest interest cost to the Board, as calculated in the manner prescribed in the Official Terms and Conditions of Sale of Bonds.

Bids will be received for the purchase of such Bonds at such date and hour as shall be fixed or otherwise determined by the Resolution of the Board (or of its Executive Committee).

It is hereby determined that the successful bid for the purchase of the Series F (Second Series) Bonds, at the option of the Board of Trustees, may, in lieu of acceptance by the full Board of Trustees, be accepted by the Executive Committee of the Board of Trustees upon the advice of the Board's Fiscal Agent, J.J.B. Hilliard, W.L. Lyons, Inc., with the approval of the Treasurer of the University.

Section 3.2. Compliance with Parity Requirements of Basic Resolution. In accordance with the requirements of Section 7.10 of the Basic Resolution, it is hereby certified, covenanted, and declared:

(a) That at the present time, and at the time of issuance of the Series F (Second Series) Bonds, there is and will be no deficiency in amounts required by the Basic Resolution or any Series Resolution to be paid into the Bond Fund;

(b) That prior to the issuance of the Series F (Second Series) Bonds, there will have been procured and filed with the Trustee a statement by the Treasurer of the Board to the effect that the average of the annual revenues from the Project for the two fiscal years immediately preceding the issuance of the Series F (Second Series) Bonds, was equal to not less than 1.25 times the

maximum Aggregate Principal, Interest and Bond Fund Charges in any succeeding twelve month period ending May 1 on the Outstanding Bonds and on the Series F (Second Series) Bonds proposed to be issued. For the purposes of such computation, such certification of the Treasurer shall make an adjustment in the amount of the annual Revenues to reflect any increases or decreases in the pledged Revenues (the student registration fees) which at that time shall have been determined by the Board and made effective for future services of the Project.

Accordingly, based on the foregoing compliance with the requirements of the Basic Resolution, it is hereby found and declared that the Series F (Second Series) Bonds shall rank and be payable on a parity with the outstanding Series C through N Bonds on a first lien basis from the gross revenues of the Project and further secured by a first statutory mortgage lien on the Project buildings.

Section 3.3. Disposition of Proceeds of Series F (Second Series) Bonds. Immediately upon the issuance, sale, and delivery of the Series F (Second Series) Bonds, the entire amount received from the Original Purchasers of the Series F (Second Series) Bonds shall be deposited in the Treasury of the Commonwealth for immediate credit and/or transfer as follows:

(a) To the Bond Fund, all amounts received as collected accrued interest for the period from March 1, 1993, the date of the Series F (Second Series) Bonds, to the date of delivery, for application to the payment of interest next becoming due on the Series F (Second Series) Bonds.

(b) To the Bond Fund, the amount of \$6,242,400 (\$6,120,000 principal amount of Series F Bonds to be called for redemption and \$122,400 redemption premium), which shall be used on May 1, 1993, to redeem the outstanding Series F Bonds maturing on May 1, 1994 through May 1, 2002.

(c) To the Debt Service Reserve Fund, the amount, if any, required to fully fund the Required Debt Service Reserve.

(d) To the "University of Kentucky Consolidated Educational Buildings Series F (Second Series) Bonds Cost of Issuance Account," hereby created and to be maintained on deposit with the Trustee, such appropriate amount as shall be directed by the Treasurer of the Board, to be held and disbursed upon written authorization of the Board or its designee. The Trustee shall apply funds in such account for the purpose of meeting issuance expenses, including printing, fiscal agent fee, legal fees and expenses, rating agency fees, and other necessary costs (to the extent not payable by the Fiscal Agent) of preparing, issuing, advertising, and selling the Series F (Second Series) Bonds. After payment in full of such issuance expenses, based upon the certification of the Board, through its Treasurer, all amounts remaining in such Account shall be transferred to and deposited in the Bond

Fund and applied toward the payment of interest requirements falling due on the Bonds on May 1, 1993.

ARTICLE IV
COMPLIANCE WITH FEDERAL ARBITRAGE REQUIREMENTS;
THE REVENUE FUND; DEBT SERVICE RESERVE FUND

Section 4.1. Compliance with Federal Non-Arbitrage Requirements. Neither the University nor the Trustee shall take any action at any time which will cause the interest on the Bonds to become subject to Federal income taxation, and, without limiting the foregoing, it is covenanted for the benefit of the owners of such Bonds that no use of the proceeds of the Series F (Second Series) Bonds will be made at any time which, if such use had been reasonably expected on the date of issue of such Bonds, would have caused them to be "arbitrage bonds." This covenant shall impose an obligation to comply with the requirements of Section 148 of the United States Internal Revenue Code of 1986, as amended (the "Code"), and the applicable regulations thereunder. The word "proceeds" as used herein shall have the meaning which it has under such section of the Code and such regulations and shall include all moneys on deposit in all Funds provided for herein and all Funds established in connection with the Project and the Bonds. Without limiting the generality of the foregoing, in no event shall moneys be deposited in any accounts created hereunder or invested pursuant to the provisions hereof if such deposit or investment shall cause any Bond to be an "arbitrage bond" within the meaning of Section 148 of the Code.

The Board certifies that on the basis of the facts, expectations, and circumstances (including covenants of the Board) in existence on the date of adoption of this Series F (Second Series) Resolution it is not expected that the proceeds of the Series F (Second Series) Bonds will be used in a manner that will cause such obligations to be "arbitrage bonds." The Chairman and the Treasurer of the Board are hereby jointly and severally designated and charged by the Board and the University with the responsibility for issuing the Series F (Second Series) Bonds and are hereby designated as the officers of the Board and the University to execute (by either of them) the ("no arbitrage") certification required by Section 1.103-13(a)(2)(ii) and any other provisions of the Treasury Regulations, and such certification shall set forth such facts, expectations and circumstances, which may be in brief and summary terms, and shall state that to the best of his knowledge and belief there are no other facts, expectations, or circumstances that would materially change such expectation that the proceeds of the issue of Bonds herein authorized will not be used in a manner that would cause same to be "arbitrage bonds." If, under any valid provisions of law hereafter enacted, the interest paid by the Board on the Bonds should be excludable from the gross income of a recipient thereof for Federal income tax purposes without regard to compliance with the provisions of Section 148 of the Code, then the University shall not be required to comply with such provisions of the Code.

Section 4.2. The Revenue Fund; Transfers to the Bond Fund and the Debt Service Reserve Fund to Provide for the Additional Requirements of the Series F (Second Series) Bonds.

(1) From and after the issuance and delivery of the Series F (Second Series) Bonds, the Treasurer, conforming to the provisions of Section 4.05(2) of the Basic Resolution, shall transfer from the Revenue Fund and deposit to the credit of the Bond Fund from time to time such sums as are required to pay (a) interest falling due on each November 1 with respect to the Series F (Second Series) Bonds, and (b) interest and principal, if any, falling due on each May 1 with respect to the Series F (Second Series) Bonds; and such transfers and deposits into the Bond Fund shall be in addition to the transfers and deposits required to be made from time to time for payment of the interest on and principal of the Series C through N Bonds.

(2) Conforming to the requirements of Section 4.05(2) of the Basic Resolution, if, whenever, and so long as the amount on deposit in the Debt Service Reserve (as part of the Bond Fund) shall be less than the Required Current Debt Service Reserve Accumulation or the Required Debt Service Reserve (as defined herein), with respect to All Bonds for any future year ending May 1, the Treasurer shall transfer from the first available funds in the Revenue Fund and deposit in the Bond Fund, whatever additional amounts over and above all deposits otherwise required to be made into the Bond Fund, as set out in the foregoing paragraph (1) of this Section, shall be required in order to restore and maintain the Required Current Debt Service Reserve Accumulation or the Required Debt Service Reserve in the Debt Service Reserve portion of the Bond Fund.

(3) It is further determined by the Board that in calculating the amount of the required annual payments to be made by the Board into the Bond Fund to meet the principal and interest requirements of All (Outstanding) Bonds, the Board shall (whenever and so long as the Required Current Debt Service Reserve Accumulation or the Required Debt Service Reserve has been accumulated and is being maintained), take credit for the investment income derived from the investment of funds in the Bond Fund, including funds in the Debt Service Reserve; provided, further, however, that the Board, in compliance with the arbitrage requirements of the Internal Revenue Code of 1986, as amended, represents that amounts on deposit in the Bond Fund will be used within thirteen (13) months from the date of deposit for the payment of principal of and interest on the Outstanding Bonds; and the Bond Fund will annually be depleted through such application, for current debt service requirements on the Outstanding Bonds, except for an amount equal to not more than the greater of (a) one-twelfth (1/12) of the debt service requirements of the Outstanding Bonds for the then ensuing year, or (b) one year's earnings on the Bond Fund.

Section 4.3. Adjustments in the Debt Service Reserve.

It is hereby determined that it is necessary (a) in order to comply with the parity requirements of the Basic Resolution, and (b) for the marketability of the Series F (Second Series) Bonds, that the Debt Service Reserve shall continue to be maintained and, when necessary, accumulated and/or restored, in an amount equal to the "maximum Aggregate Principal, Interest and Bond Fund Charges" (as defined in the Basic Resolution) with respect to all Outstanding Bonds for any future year ending May 1 ("Required Debt Service Reserve").

The Debt Service Reserve shall not (except where the amount on deposit therein shall exceed the Required Debt Service Reserve) be used for any purpose except to make the payments required to be made from the Bond Fund when there are insufficient funds available in the Bond Fund for such purposes.

ARTICLE V
MISCELLANEOUS CONCLUDING PROVISIONS

Section 5.1. All Provisions of Basic Resolution and Various Series Resolutions Are Hereby Readopted, Ratified and Confirmed. The Board hereby readopts, ratifies and confirms all previous Resolutions relating to the Project, including the Basic Resolution adopted on September 20, 1960, and each of the various Series Resolutions C through N.

Section 5.2. Ratification of Previous Appointment of Trustee to Serve as Registrar, Transfer Agent and Payee Bank. Bank One, Lexington, NA (formerly, First Security National Bank & Trust Company), Lexington, Kentucky, the Trustee in all previous Series Resolutions, which was designated in the previous Series Resolutions to serve also as Bond Registrar, Transfer Agent and Payee Bank with respect to the Series C through N Bonds, is also designated to serve in all capacities referred to above with respect to the Series F (Second Series) Bonds.

Its duties as Registrar, Transfer Agent and Payee Bank with respect to the Series F (Second Series) Bonds shall be the same as its duties in such capacities with respect to the Series C through N Bonds.

The Trustee/Registrar/Payee Bank shall be entitled to the same rights, privileges, and immunities with respect to the Series F (Second Series) Bonds as are specified in the Series C through N Resolutions with respect to the Series C through N Bonds.

The Trustee Bank shall indicate its acceptance of its respective duties and capacities by signing its Acceptance at the conclusion of this Resolution.

Section 5.3. Replacement by Board of Registrar, Transfer Agent, Payee Bank and Depository Bank. The Board shall have the right at any time to replace the Registrar, Transfer Agent, Payee Bank, and/or Depository Bank by observing the same procedure as that required by the Basic Resolution and/or the respective Series Resolutions for replacement of the Trustee.

Section 5.4. Covenant of Board to Take All Action Necessary to Assure Compliance with the Internal Revenue Code of 1986, as Amended. In order to assure purchasers of the Series F (Second Series) Bonds that interest thereon will continue to be exempt from all Federal and Kentucky income taxation (subject to certain exceptions set out below), the Board covenants to and with the owners of Series F (Second Series) Bonds that (1) the Board will take all actions necessary to comply with the provisions of the Internal Revenue Code of 1986, as amended, (2) the Board will take no actions which will violate any of the provisions of such Code, or would cause the Series F (Second Series) Bonds to become "private activity bonds" within the meaning of the Code, (3) none of the proceeds of the Series F (Second Series) Bonds will be used

for any purpose which would cause the interest on the Series F (Second Series) Bonds to become subject to Federal income taxation, and the Board will comply with any and all requirements as to rebate (and reports with reference thereto) to the United States of certain investment earnings on the proceeds of the Series F (Second Series) Bonds.

The Board certifies that the Series F (Second Series) Bonds are not "private activity bonds" within the meaning of the Code, and the Board has been advised by Bond Counsel and therefore believes that interest on the Series F (Second Series) Bonds is not included as an item of tax preference in calculating the alternative minimum tax for individuals.

The Board is further advised that the exemption from income taxation by the United States of America of interest on the Bonds is subject to the following exceptions:

1. For purposes of the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), interest on the Series F (Second Series) Bonds is taken into account in determining adjusted current earnings for taxable years beginning after December 31, 1989.

2. Section 265 of the Code denies a deduction for interest on indebtedness incurred or continued to purchase or carry the Series F (Second Series) Bonds, or, in the case of a financial institution, that portion of a holder's interest expense allocated to interest on the Series F (Second Series) Bonds.

3. With respect to insurance companies subject to the tax imposed by Section 831 of the Code, Section 832(b)(5)(B)(i) reduces the deduction for loss reserves by 15% of the sum of certain items, including interest on the Series F (Second Series) Bonds.

4. For taxable years beginning before January 1, 1996, interest on the Series F (Second Series) Bonds earned by some corporations could be subject to the environmental tax imposed by Section 59A of the Code.

5. Interest on the Series F (Second Series) Bonds earned by certain foreign corporations doing business in the United States of America could be subject to a branch profits tax imposed by Section 884 of the Code.

6. Passive investment income, including interest on the Series F (Second Series) Bonds, may be subject to federal income taxation under Section 1375 of the Code for Subchapter S corporations that have Subchapter C earnings and profits at the close of the taxable year if greater than 25% of the gross receipts of such Subchapter S corporation is passive investment income.

7. Section 86 of the Code requires recipients of certain Social Security and certain Railroad Retirement benefits to take into account, in determining the taxability of such benefits, receipts or accruals of interest on the Series F (Second Series) Bonds.

The Board reserves the right to amend the Resolution authorizing these Series F (Second Series) Bonds without obtaining the consent of the owners of the Bonds (i) to whatever extent shall, in the opinion of Bond Counsel, be deemed necessary to assure that interest on the Series F (Second Series) Bonds shall be exempt from Federal income taxation, and (ii) to whatever extent shall be permissible (without jeopardizing such tax exemption or the security of the owners of the Series F [Second Series] Bonds) to eliminate or reduce any restrictions concerning the Project, the investment of the proceeds of the Series F (Second Series) Bonds, or the application of such proceeds or of the revenues of the Project. The purchasers of the Series F (Second Series) Bonds are deemed to have relied fully upon these covenants and undertakings on the part of the Board as part of the consideration for the purchase of the Series F (Second Series) Bonds. To the extent that the Board obtains an opinion of nationally recognized bond counsel to the effect that non-compliance with any of the covenants contained in this Resolution or referred to in this Resolution would not subject interest on the Series F (Second Series) Bonds to Federal income taxes or Kentucky income taxes, the Board shall not be required to comply with such covenants or requirements.

This Resolution is adopted in contemplation that Bond Counsel will render an opinion as to exemption of principal of the Bonds from Kentucky ad valorem taxation and as to exemption of interest on the Series F (Second Series) Bonds from Federal and Kentucky income taxation, based on the assumption by Bond Counsel that the Board complies with covenants made by the Board with respect to compliance with the provisions of the Code, subject to the exceptions set out above, and based on the assumption of compliance by the Board with requirements as to any required rebate (and reports with reference thereto) to the United States of America of certain investment earnings on the proceeds of the Series F (Second Series) Bonds. The Board has been advised that, based on the foregoing assumption of compliance, Bond Counsel is of the opinion that the Series F (Second Series) Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Code.

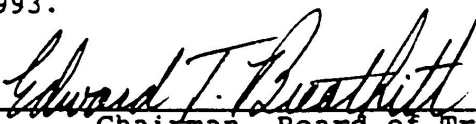
Section 5.5. Resolution Contractual With Bondowners. The Basic Resolution and this Series F (Second Series) Resolution shall, from and after the issuance and delivery of the Series F (Second Series) Bonds, constitute a contract between the Board of the University and the owners of the Series F (Second Series) Bonds as shall be outstanding hereunder.

Section 5.6. Provisions in Conflict are Repealed. All resolutions or parts thereof in conflict with the provisions of

this Series F (Second Series) Resolution are hereby rescinded to the extent of such conflict.

Section 5.7. Copy to be Filed with Trustee. A certified copy of this Series F (Second Series) Resolution shall be filed with the Trustee, and this Series F (Second Series) Resolution shall take effect immediately upon its adoption and the filing of the certified copy thereof with the Trustee, as provided in the Basic Resolution.

Adopted January 19, 1993.



Chairman, Board of Trustees
University of Kentucky

(SEAL)

Attest:

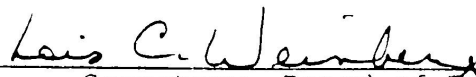


Secretary, Board of Trustees

CERTIFICATION

I, Lois Weinberg, Secretary of the Board of Trustees of the University of Kentucky, Lexington, Kentucky, hereby certify that the foregoing is a true copy of a Resolution adopted by the Board of Trustees of said University at a meeting held on January 19, 1993, as recorded in the official Minute Book of said Board of Trustees, which is in my custody and under my control, that said meeting was held in accordance with all applicable requirements of Kentucky law, including KRS 61.810, 61.815, 61.820, and 61.825, that a quorum was present at said meeting, and that the aforesaid Resolution is of record in the office of the Board, has not been modified, amended, or rescinded, and is in full force and effect at this date.

WITNESS my signature and the Seal of said Board this January 19, 1993.



Secretary, Board of Trustees
University of Kentucky

ACCEPTANCE BY BANK ONE, LEXINGTON, NA,
LEXINGTON, KENTUCKY, AS
BOND REGISTRAR, TRANSFER AGENT, PAYEE BANK AND TRUSTEE

The undersigned, Bank One, Lexington, NA, Lexington, Kentucky, having heretofore been appointed as and having served as Trustee, hereby agrees to the provisions of the foregoing Resolution to the extent that there are contained therein provisions as to the additional rights and duties of the undersigned as Bond Registrar, Transfer Agent, Payee Bank, and Trustee.

Dated this _____, 1993.

BANK ONE, LEXINGTON, NA,
Lexington, Kentucky

By _____

Title: _____

(Seal of Bank)

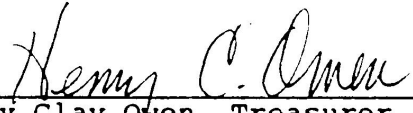
NOTICE OF SALE OF BONDS

\$6,340,000

UNIVERSITY OF KENTUCKY
CONSOLIDATED EDUCATIONAL BUILDINGS REFUNDING REVENUE BONDS
SERIES F (SECOND SERIES)
DATED MARCH 1, 1993

The Treasurer of the Board of Trustees of the University of Kentucky, Lexington, Kentucky, will until March 2, 1993, at 9:30 A.M., E.S.T., receive in the Office of Controller and Treasurer, 369 Peterson Service Building, University of Kentucky Campus, Lexington, Kentucky 40506, sealed, competitive bids for the purchase of \$6,340,000 of the above-identified Series of bonds, maturing on May 1, 1994 through 2002. Minimum bid is \$6,276,600 (99% of par). Legal opinion by Rubin Hays & Foley, Louisville, Kentucky. The Bonds will be issued on a tax-exempt basis, subject to certain qualifications set out in detail in the Official Terms and Conditions of Sale of Bonds and in the Preliminary Official Statement. Good faith deposit is \$63,400. Bid Forms, Official Terms and Conditions, and Preliminary Official Statements in a form deemed to be "near final" by the Board may be obtained from the Fiscal Agent, J.J.B. Hilliard, W.L. Lyons, Inc., P.O. Box 32760, 501 South Fourth Avenue, Louisville, Kentucky 40232-2760, (502) 588-8400.

Right to reject bids and to waive defects or informalities is expressly reserved.


Henry Clay Owen, Treasurer,
Board of Trustees, University of
Kentucky, Lexington, Kentucky

OFFICIAL TERMS AND CONDITIONS OF BOND SALE

RE: University of Kentucky Consolidated Educational Buildings Refunding Revenue Bonds, Series F (Second Series), dated March 1, 1993, in the principal amount of \$6,340,000

The Treasurer and the Finance Committee of the Board of Trustees of the University of Kentucky, Lexington, Kentucky (the "Board") will until March 2, 1993, at 9:30 A.M., E.S.T., receive in the Office of Controller and Treasurer, 369 Peterson Service Building, University of Kentucky Campus, Lexington, Kentucky 40506, sealed, competitive bids for the purchase of the above-identified Bonds (the "Series F [Second Series] Bonds"). To be considered, a bid for the purchase of said Bonds must be submitted on an Official Bid Form and must be delivered to such office no later than the date and hour indicated. Proposals for the purchase of the Bonds will be considered by the Finance Committee of the Board at its meeting on that date and referred to the Board (or the Executive Committee of the Board) at a meeting to be held at 1:00 P.M., E.S.T., on that date.

DESCRIPTION AND MATURITIES OF BONDS

The Series F (Second Series) Bonds will be issued only as fully registered bonds in the denomination of \$5,000 principal amount or any multiple of \$5,000 within a single maturity (as designated by the Purchasers), will bear interest payable semi-annually on May 1 and November 1 of each year to maturity (first interest payment date, November 1, 1993), and will mature on May 1 of the respective years, as follows:

<u>Maturity Date</u> <u>May 1,</u>	<u>Principal</u> <u>Maturity</u>	<u>Maturity Date</u> <u>May 1,</u>	<u>Principal</u> <u>Maturity</u>
1994	\$ 145,000	1999	\$1,140,000
1995	195,000	2000	1,270,000
1996	215,000	2001	1,405,000
1997	215,000	2002	1,525,000
1998	230,000		

The principal of (and redemption price, if any) and interest on the Series F (Second Series) Bonds will be payable in lawful money of the United States of America at the main office of Bank One, Lexington, N.A., Lexington, Kentucky, the Trustee, Bond Registrar, Transfer Agent, Payee Bank and Depository Bank; provided, however, that interest on the Series F (Second Series) Bonds shall be paid when due by check mailed by the Trustee on or before each semiannual interest due date to the respective persons entitled thereto at the addresses of the respective Bondowners of record on the 15th day of the month preceding each interest due date by regular United States mail postmarked not later than the due date. Upon submission of a properly executed assignment of a

Bond, such Bank will transfer ownership of such Bond within three (3) business days of receipt without expense to the Bondowner.

The Series F (Second Series) Bonds shall be lettered and numbered from R-1 upward, or such numbering shall be made in such other appropriate manner as may be determined by the Trustee.

The person in whose name any Series F (Second Series) Bond is registered on the Record Date (April 15 or October 15) with respect to an interest payment date shall be entitled to receive the interest payable on such interest payment date (unless such Bond shall have been duly called for redemption on a redemption date which is prior to such interest payment date).

The Series F (Second Series) Bonds are not subject to redemption prior to maturity.

STATUTORY AUTHORITY AND PURPOSE OF BONDS

These Bonds are issued in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky, including Sections 162.340-162.380, and 58.010-58.140 of the Kentucky Revised Statutes, and under and pursuant to the Resolution adopted by the Board on September 20, 1960 (the "Basic Resolution"), and to the Resolution adopted on January 19, 1993, authorizing these Bonds (the "Series F [Second Series] Resolution"), for the purpose of financing (a) the cost of redeeming the outstanding University of Kentucky Consolidated Educational Buildings Revenue Bonds, Series F, dated May 1, 1976, maturing May 1, 1994 through 2002, (b) funding the Required Debt Service Reserve, if necessary, and (c) paying the costs of issuance of the Series F (Second Series) Bonds.

SECURITY

These Series F (Second Series) Bonds, together with the Series C through N Bonds (all of the Series and A and B Bonds having been retired), and the Series G (Second Series), Series H (Second Series) and Series I (Second Series), all previously issued, and any additional parity bonds which may hereafter be issued and outstanding under the terms of the Basic Resolution and any subsequent Series Resolutions, are and will be payable from and will constitute a pledge, charge and lien upon the Revenues to be derived by the University from the operation of its Consolidated Educational Buildings Project, as defined in the Basic Resolution. 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, including fees imposed for part-time students, night school and extension courses, is designated as the source of Revenues of the Consolidated Educational Buildings Project. Such fees are known as the Student Registration Fees (the "Registration Fee") and the Board 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 that such costs 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 all outstanding Consolidated Educational Buildings Revenue Bonds.

As further security for the Bonds, a statutory mortgage lien upon the Project is created and granted by the Series F (Second Series) Resolution pursuant to Sections 162.350 and 162.200 of the Kentucky Revised Statutes, in favor of the Series F (Second Series) Bonds and all parity bonds, including those heretofore issued and those hereafter issued.

BIDDING CONDITIONS AND RESTRICTIONS

The public offering of the Series F (Second Series) Bonds is made upon the following specific conditions and provisions:

- A. Bidders shall bid for the entire issue a minimum price of not less than \$6,276,600 (99% of par) for the \$6,340,000 of Bonds, plus accrued interest from the date of the Bonds (March 1, 1993) to the date of delivery, payable in Federal Funds.
- B. The successful bidder will be required to deposit with Bank One, Lexington, N.A., Attn: David Dever, for the account of the University, immediately available funds in the amount of \$63,400 (1%), representing the good faith deposit, by the close of business on March 3, 1993. The amount of said good faith deposit, without interest, will be deducted from the purchase price at the time of delivery of the Bonds.
- C. The determination of the best bid will be made on the basis of the lowest net interest cost calculated by computing the total interest payable on the Bonds from March 1, 1993, through the Final Maturity Date, plus discount or less premium, as set forth in the Official Bid Form, for exactly \$6,340,000 of Series F (Second Series) Bonds under the terms and conditions herein specified.
- D. Bidders must state an interest rate or rates in a multiple of 1/8 or 1/20 of 1%, or both.
- E. There is no limit on the number of different rates which may be specified in any bid.

- F. All Bonds of the same maturity shall bear the same and a single interest rate from the date thereof to maturity.
- G. Interest rates must be on an ascending scale, in that the interest rate for Bonds of any maturity may not be less than the interest rate stipulated for any preceding maturity.
- H. The right to reject bids for any reason deemed advisable by the Finance Committee of the Board and the right to waive any possible informalities, irregularities, or defects in any bid which, in the judgment of the Finance Committee of the Board, with the advice of the Fiscal Agent, shall be minor or immaterial, is expressly reserved.
- I. Bids must be made on forms which, together with an Official Statement, may be obtained at the office of the Treasurer of the University or from the Fiscal Agent, J.J.B. Hilliard, W.L. Lyons, Inc., P.O. Box 32760, 501 South Fourth Avenue, Louisville, Kentucky 40232-2760, (502) 588-8400. Bids must be enclosed in sealed envelopes marked "Proposal for University of Kentucky Consolidated Educational Buildings Refunding Revenue Bonds, Series F (Second Series), dated March 1, 1993," and bids must be received by the aforesaid Treasurer prior to the date and hour set for the sale.
- J. The purchasers of the Bonds shall pay the CUSIP Service Bureau charge for the assignment of CUSIP numbers, which numbers will be printed on the Bonds at no expense or cost to the purchasers. Neither the failure to print a CUSIP number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchasers thereof to accept delivery of and pay for the Bonds.
- K. Delivery will be made in Lexington or Louisville, Kentucky, at no additional cost or expense to the purchasers. The purchasers may elect to require delivery through a depository trust corporation, provided the purchasers agree to pay any additional expense in connection therewith, such expense to include shipping expense, insurance in transit and the fee of the depository trust corporation. In connection with the issuance of the Bonds, the Board will pay for the printing of the Bonds, which will contain the opinion of Bond Counsel. Delivery is expected on March 31, 1993.
- L. The University may tender the Bonds in the form of a single fully registered temporary Bond to the

purchasers, in which event, such purchasers, upon tender thereof to the Transfer Agent of the temporary Bond, will be issued fully registered Bond Certificates (in the denomination of \$5,000 or any multiple of same within the same maturity) in such names as shall have been properly designated to the Bond Registrar.

- M. It shall be the responsibility of the purchasers to furnish or cause to be furnished to the Trustee at least five (5) business days prior to the date of delivery of the Bonds, a list of the names, addresses, social security numbers or taxpayer identification numbers, of each of the parties to whom the Bonds are to be registered and the principal amounts and maturities thereof. In the event of the failure to so furnish such list, the Bonds delivered to the purchasers shall be registered in the name or names of such purchasers or their designated representatives appearing as the first name on the successful Bid Form, or otherwise appropriately designated, and shall be issued in denominations corresponding to the principal amount of each respective maturity, as shall be determined by the Trustee-Registrar.
- N. Upon wrongful refusal of the purchasers to take delivery of and pay for the Bonds in Federal Funds when tendered for delivery, the amount of the good faith check shall be forfeited by such purchasers, and such amount shall be deemed liquidated damages for such default; provided, however, if such Bonds are not ready for delivery and payment within forty-five (45) days from the date of sale herein provided for, said purchasers shall be relieved of any liability to accept the Bonds hereunder. However, it is contemplated that the Bonds will be delivered on a date during such period as may be designated by representatives of the Board, and the purchasers will be required to accept delivery of and pay for the Bonds on any designated date within such 45 day period upon notice being given at least five (5) business days prior to the designated delivery date.
- O. Bidders are advised that J.J.B. Hilliard, W.L. Lyons, Inc., of Louisville, Kentucky, has been employed as Fiscal Agent in connection with the issuance of these Series F (Second Series) Bonds. Their fee for services rendered with respect to the sale of the Series F (Second Series) Bonds is contingent upon the issuance and delivery of the Series F (Second Series) Bonds. They may submit a bid for the purchase of the Series F (Second Series)

Bonds at the time of the advertised public sale of the Series F (Second Series) Bonds, either individually or as members of a syndicate organized to submit a bid for the purchase of the Series F (Second Series) Bonds.

- P. If the successful bidder desires to obtain insurance guaranteeing the payment of the principal and/or interest on such Bonds, the University agrees that it will cooperate with such successful bidder in obtaining such insurance, but all of the expenses and charges in connection therewith shall be borne by such bidder, and the University shall not be liable to any extent therefor.
- Q. The successful bidder shall promptly advise the Financial Advisor to the Board of Trustees of (i) the reoffering price for each maturity of the Series F (Second Series) Bonds, and (ii) the principal amount sold to the public of each principal maturity of the Series F (Second Series) Bonds on the reoffering date.

If, upon the basis of the foregoing, the Board shall accept a purchase bid for these \$6,340,000 of Series F (Second Series) Bonds, the Board shall adopt a Resolution to that effect, and supply proper evidence of such acceptance to the bidder submitting the accepted purchase bid.

The Board will furnish to the purchasers the customary No Litigation Certificate and the final, approving Legal Opinion of Rubin Hays & Foley, Municipal Bond Attorneys, Louisville, Kentucky, without expense to the purchasers.

The Board of Trustees shall provide to the successful purchaser a final Official Statement in accordance with SEC Rule 15c2-12. Arrangements have been made with the printer of the preliminary official statement, upon submission of completion text, to print a reasonable quantity of final Official Statements in sufficient time to meet the delivery requirements of the successful bidder under SEC or Municipal Securities Rulemaking Board Delivery Requirements, which Official Statements will be provided at the expense of the Board.

Concurrently with the delivery of the Series F (Second Series) Bonds, the Treasurer of the Board of Trustees will certify that, to the best of his knowledge, the Official Statement did not as of its date, and does not as of the date of delivery of the Bonds, contain any untrue statement of a material fact or omit to state a material fact which should be included therein for the purpose for which the Official Statement is to be used, or which is necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading in any material respect.

SPECIAL TAX EXEMPTION CONSIDERATIONS

In order to assure purchasers of the Series F (Second Series) Bonds that interest thereon will continue to be exempt from all Federal and Kentucky income taxation (subject to certain exceptions set out below), the Board covenants to and with the owners of such Bonds that (1) the Board will take all actions necessary to comply with the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), (2) the Board will take no actions which will violate any of the provisions of such Code, or would cause the Bonds to become "private activity bonds" within the meaning of the Code, (3) none of the proceeds of the Bonds will be used for any purpose which would cause the interest on the Bonds to become subject to Federal income taxation, and the Board will comply with any and all requirements as to rebate (and reports with reference thereto) to the United States of certain investment earnings on the proceeds of the Series F (Second Series) Bonds.

The Board certifies that these Bonds are not "private activity bonds" within the meaning of the Code, and the Board has been advised by Bond Counsel and therefore believes that interest on the Bonds is not included as an item of tax preference in calculating the alternative minimum tax for individuals. However, the Board has been advised that these Bonds are not "qualified tax-exempt obligations" for bank investments and that banks are not permitted to deduct the interest cost attributable to the purchase of these Bonds.

The exemption from income taxation by the United States of America of interest on the Bonds is subject to the following exceptions:

1. For purposes of the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), interest on the Series F (Second Series) Bonds is taken into account in determining adjusted current earnings for taxable years beginning after December 31, 1989.

2. Section 265 of the Code denies a deduction for interest on indebtedness incurred or continued to purchase or carry the Series F (Second Series) Bonds, or, in the case of a financial institution, that portion of a holder's interest expense allocated to interest on the Series F (Second Series) Bonds.

3. With respect to insurance companies subject to the tax imposed by Section 831 of the Code, Section 832(b)(5)(B)(i) reduces the deduction for loss reserves by 15% of the sum of certain items, including interest on the Series F (Second Series) Bonds.

4. For taxable years beginning before January 1, 1996, interest on the Series F (Second Series) Bonds earned by some corporations could be subject to the environmental tax imposed by Section 59A of the Code.

5. Interest on the Series F (Second Series) Bonds earned by certain foreign corporations doing business in the United States of America could be subject to a branch profits tax imposed by Section 884 of the Code.

6. Passive investment income, including interest on the Series F (Second Series) Bonds, may be subject to federal income taxation under Section 1375 of the Code for Subchapter S corporations that have Subchapter C earnings and profits at the close of the taxable year if greater than 25% of the gross receipts of such Subchapter S corporation is passive investment income.

7. Section 86 of the Code requires recipients of certain Social Security and certain Railroad Retirement benefits to take into account, in determining the taxability of such benefits, receipts or accruals of interest on the Series F (Second Series) Bonds.

The Board reserves the right to amend the Resolution authorizing these Series F (Second Series) Bonds without obtaining the consent of the owners of the Bonds (i) to whatever extent shall, in the opinion of Bond Counsel, be deemed necessary to assure that interest on the Series F (Second Series) Bonds shall be exempt from Federal income taxation, and (ii) to whatever extent shall be permissible (without jeopardizing such tax exemption or the security of the owners of the Series F [Second Series] Bonds) to eliminate or reduce any restrictions concerning the Project, the investment of the proceeds of the Series F (Second Series) Bonds, or the application of such proceeds or of the revenues of the Project. The purchasers of the Series F (Second Series) Bonds are deemed to have relied fully upon these covenants and undertakings on the part of the Board as part of the consideration for the purchase of the Series F (Second Series) Bonds. To the extent that the Board obtains an opinion of nationally recognized bond counsel to the effect that non-compliance with any of the covenants contained in this Resolution or referred to in this Resolution would not subject interest on the Series F (Second Series) Bonds to Federal income taxes or Kentucky income taxes, the Board shall not be required to comply with such covenants or requirements.

Bond Counsel will render the customary opinion as to exemption of principal of the Bonds from Kentucky ad valorem taxation and as to exemption of interest on the Bonds from Federal and Kentucky income taxation, based on the assumption by Bond Counsel that the Board complies with covenants made by the Board with respect to compliance with the provisions of the Code, subject to the exceptions set out above, and based on the assumption of compliance by the Board with requirements as to any required rebate (and reports with reference thereto) to the United States of America of certain investment earnings on the proceeds of the Series F (Second Series) Bonds. Bond Counsel is of the opinion that, based on the foregoing assumption of compliance, the Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Code.

Bond Counsel has reviewed the Official Statement with regard to all matters pertaining to the legality and tax exemption of the Series F (Second Series) Bonds, including statements concerning the Board and the purpose and security of the Series F (Second Series) Bonds; but Bond Counsel has not reviewed the financial data concerning the Board and the University in the Official Statement, and expresses no opinion thereon and assumes no responsibility in connection therewith.

Subject to the matters set out above, the Series F (Second Series) Bonds are offered for sale on the basis of the principal of said Bonds not being subject to Kentucky ad valorem taxation and on the basis of the interest on said Bonds not being subject to Federal or Kentucky income taxation on the date of their delivery to the purchasers.

If, prior to the delivery of the Series F (Second Series) Bonds, any event shall occur which alters such tax-exempt status, the purchasers shall have the privilege of voiding the purchase by giving immediate written notice to the Board, whereupon the amount of the good faith deposit of the purchasers will be returned to the purchasers. (Signed) Henry Clay Owen, Treasurer, Board of Trustees, University of Kentucky, Lexington, Kentucky

OFFICIAL BID FORM

\$6,340,000
UNIVERSITY OF KENTUCKY
CONSOLIDATED EDUCATIONAL BUILDINGS REFUNDING REVENUE BONDS
SERIES F (SECOND SERIES)
DATED MARCH 1, 1993

To the Honorable Chairman and Members of
The Board of Trustees of the University of Kentucky
c/o Mr. Henry Clay Owen
University Controller and Treasurer
369 Peterson Service Building
Lexington, Kentucky 40506

Ladies and Gentlemen:

Pursuant to your "Notice of Sale of Bonds" as published in THE COURIER-JOURNAL of Louisville, Kentucky, and in THE BOND BUYER, New York, New York, and the "Official Terms and Conditions of Sale of Bonds" and "Preliminary Official Statement" referred to therein, by our submission of this Bid, we evidence our agreement to the terms and conditions of your sale as represented therein.

We hereby bid for said \$6,340,000 principal amount of Bonds the sum of \$_____ (not less than \$6,276,600), plus accrued interest from March 1, 1993, to the date of delivery, at the following annual interest rates:

SCHEDULE OF PRINCIPAL AMOUNTS AND INTEREST RATES

<u>Maturing May 1</u>	<u>Maturity Amount</u>	<u>Rate</u>	<u>Maturing May 1</u>	<u>Maturity Amount</u>	<u>Rate</u>
1994	\$ 145,000	_____ %	1999	\$1,140,000	_____ %
1995	195,000	_____ %	2000	1,270,000	_____ %
1996	215,000	_____ %	2001	1,405,000	_____ %
1997	215,000	_____ %	2002	1,525,000	_____ %
1998	230,000	_____ %			

We understand that the Board of Trustees will furnish the final, approving legal opinion of Rubin Hays & Foley, Municipal Bond Attorneys, of Louisville, Kentucky. We agree that if we are the successful bidder, immediately available funds in the amount of \$63,400, payable to the University of Kentucky will be deposited in Bank One, Lexington, NA, Attn: David Dever, prior to the end of the business day on March 3, 1993, in accordance with the Notice of Bond Sale and the Official Terms, with the understanding that the amount thereof, without interest, will be deducted from the purchase price of the Bonds when tendered to us for delivery. If we are the successful bidder, we agree to accept and make payment for the Bonds in accordance with the terms of sale.

Respectfully submitted,

(a)	Total interest cost from date of Bonds to final maturity	\$	_____
(b)	Plus discount (or less premium)	\$	_____
(c)	Net interest cost	\$	_____
(d)	Net interest rate		_____ %

The above computation of net interest cost is submitted for information only and is not a part of this bid.

Accepted this March 2, 1993.

BOARD OF TRUSTEES OF
UNIVERSITY OF KENTUCKY

Attest:

By _____
Chairman

Secretary

CERTIFICATE

I, the undersigned, certify that I am the duly qualified and acting Secretary of the Board of Trustees of the University of Kentucky, Lexington, Kentucky, and I certify as follows:

1. That the foregoing is a true and accurate copy of an excerpt from the Minutes of the regular meeting of the Board of Trustees of the University of Kentucky held on January 19, 1993.

2. That the stated attendance and voting at said meeting are true and correct.

3. That said meeting was duly held in accordance with all applicable requirements of Kentucky law, including KRS 61.810, 61.815, 61.820 and 61.825, that a quorum was present at said meeting, that said Resolution has not been modified, amended, revoked or repealed, and that same is now in full force and effect.

4. That there is attached hereto a full, true and correct copy of the Resolution adopted at said meeting, as set out in said excerpt.

5. That said Resolution has been placed on file in the office of the undersigned Secretary, where same has been duly recorded in the official records of the Board of Trustees of the University.

IN TESTIMONY WHEREOF, witness my signature as Secretary of said Board on this 19th day of January, 1993.


Secretary, Board of Trustees
University of Kentucky

Office of the President
January 19, 1993

Members, Board of Trustees:

FCR 12

APPROVAL OF SECTION 125 SALARY REDUCTION PLAN

Recommendation: that the Board of Trustees approve additional tax sheltered employee benefit plans under Internal Revenue Code Section 125 for health and dependent care flexible spending accounts and for health insurance and life insurance premiums salary reduction plans and that the Board of Trustees authorize the President to establish an effective date for such plans.

Background: Based on the Board's approval in September of the development of additional Section 125 plans, this plan document is submitted to the Board for approval. This document encompasses the present Section 125 plan and details the additional plans. Pursuant to the provisions of this document, the University is negotiating with a third party administrator to manage the programs which involve employee reimbursement. Employees will pay the cost of administration out of their tax savings.

With the assistance and advice of Hewitt & Associates, the University has drafted the proposed plan. This plan will permit employees to gain additional benefits from their current salaries in these times of severe budget restrictions.

In a previously approved plan, University employees' salaries may be reduced by the amount of the health insurance premium that would ordinarily be deducted from their pay checks. Under these proposed plans, life insurance premiums are added to the salary reduction plan. In addition, employees will be able to designate funds to be used for dependent care and for those medical and dental expenses which are not paid by the University's health insurance plans.

University employees who participate in these plans will realize savings because they will not pay FICA, Federal or State Income taxes and, in some cases depending upon the local ordinance, local taxes. The University will realize savings by not paying FICA taxes on the employee amounts which are voluntarily sheltered under this plan.

With the Board's approval, the President will establish an effective date for this plan after the installation of the new Human Resources System (HRS). The exact date of HRS's installation has not been determined, but is projected to be early in 1993.

Action taken: Approved ☒ Disapproved ☐ Other ☐

Date: January 19, 1993

UNIVERSITY OF KENTUCKY
SECTION 125 PLAN FOR EMPLOYEES
(Effective as of (date), 1993)

UNIVERSITY OF KENTUCKY
SECTION 125 PLAN FOR EMPLOYEES
(Effective as of (date) , 1993)

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UNIVERSITY OF KENTUCKY
SECTION 125 PLAN FOR EMPLOYEES
(Effective as of (date) , 1993)

Article I. Establishment of the Plan

1.1 Establishment of the Plan. The UNIVERSITY OF KENTUCKY (hereinafter referred to as the "University") heretofore established and presently maintains a cafeteria plan within the meaning of section 125 of the Internal Revenue Code (hereinafter referred to as the "Code") known as the University of Kentucky Section 125 Plan for Employees (hereinafter referred to as the "Plan") for the benefit of its eligible employees and the eligible employees of any affiliate organizations that adopt the Plan. The Plan was originally adopted effective as of January 1, 1986.

Effective (date) , 1993, the Plan is hereby amended and restated to reflect changes in the law and regulations and to incorporate certain other changes in the Plan's provisions. Effective January 1, 1993, the Plan shall be know as the "UNIVERSITY OF KENTUCKY SECTION 125 PLAN FOR EMPLOYEES."

1.2 Purpose of Plan. The purpose of this Plan is to provide eligible employees with increased flexibility in matching their benefits to their personal needs in a tax-effective manner.

1.3 Applicability of Plan. The provisions of this Plan are applicable only to the Employees in current employment on or after the Effective Date.

Any Employee who retired or separated from employment prior to the Effective Date, or beneficiaries of such an Employee, shall not be entitled to benefits after the Effective Date under the provisions of this Plan unless the Employee

is rehired and then becomes eligible for benefits, except as otherwise provided in section 3.3.

The provisions of this Plan for the reimbursement of medical and dental expenses constitute a self-insured medical reimbursement plan within the meaning of Code section 105.

The provisions of this Plan for the reimbursement of expenses for dependent care assistance constitute a dependent care assistance program within the meaning of Code section 129.

The provisions of this Plan for salary reduction of health insurance premiums and life insurance premiums constitute a salary reduction plan within the meaning of Code section 125.

The Plan is intended to be "nondiscriminatory" as such term is used in Code sections 105(h), 125, and 129, and the Plan Administrator may take whatever actions are necessary to ensure that the Plan remains "nondiscriminatory" under such Code sections.

Article II. Definitions and Construction

2.1 Definitions. Whenever used in the Plan, the following terms shall have the respective meanings set forth below unless otherwise expressly provided, and when the defined meaning is intended, the term is capitalized.

(a) "Affiliate" means--

(1) any corporation other than the University, i.e., either a

- subsidiary corporation or an affiliated or associated corporation of the University, which together with the University is a member of a "controlled group" of corporations [as defined in Code section 414(b)];
- (2) any organization which together with the University is under "common control" [as defined in Code section 414(c)];
- (3) any organization which together with the University is an "affiliated service group" [as defined in Code section 414(m)]; or
- (4) any other entity required to be aggregated with the University pursuant to regulations under Code section 414(o).
- (b) "Change in Family Status" means a change in status such as--
- (1) marriage or divorce of the Employee,
- (2) birth or adoption of a child of the Employee,
- (3) death of the Employee's spouse or dependent,
- (4) the termination of employment (or the commencement of employment) of the Employee's spouse,
- (5) the switching from part-time to full-time employment status, or from full-time to part-time employment status of the Employee or the Employee's spouse, or
- (6) a significant change in health coverage of the Employee or spouse attributable to the spouse's employment.
- (c) Code" means the Internal Revenue Code of 1986, as it may be amended from time to time.
- (d) "Compensation" means an Employee's basic annual earnings as of July 1 of the applicable Plan Year.
- (e) "Covered Employee" means--
- (1) for purposes of allocating Flexible Dollars to an Insurance

Program pursuant to section 4.2(a), any Employee who is eligible to participate in such Insurance Programs pursuant to Staff Personnel Policy and Procedure Numbers 91.0 and 93.0; and

- (2) for purposes of allocating Flexible Dollars to the health care account or the dependent care account pursuant to section 4.2(b) or (c), any Employee who is employed by the University or a participating Affiliate as a regular half-time or more employee.

In order to participate in the Plan, a Covered Employee shall be required to satisfy the eligibility requirements prescribed in section 3.1(a), (b), or (c), respectively.

- (f) "Effective Date" means (date) , 1993.
- (g) "Employee" means an employee of the Employer.
- (h) "Employer" means the University and any Affiliate that adopts the Plan.
- (i) "ERISA" means the Employee Retirement Income Security Act of 1974, as it may be amended from time to time.
- (j) "Flexible Dollars" means those dollar amounts as defined in section 4.1.
- (k) "Insurance Programs" means the medical insurance, dental insurance, life insurance, or any other eligible insurance programs permitted under Code Section 125 and offered by the Employer to Employees under the Plan.
- (l) "Participant" means an Employee who meets the requirements of section 3.1.
- (m) "Pay Period" means each of:

- (1) the 12 monthly pay periods, or
- (2) the 26 bi-weekly pay periods,
- applicable to Employees, as the case may be, during a Plan Year.
- (n) "Plan Administrator" means the University.
- (o) "Plan Year" means the (a number)-consecutive-month period beginning (date), 1993 and ending June 30, 1993 and then the twelve-consecutive-month period beginning July 1, 1993 and each July 1 thereafter.
- (p) "Reeligible Former Participant" means an Employee of an Employer who is rehired in the same Plan Year during which the Employee previously participated in the Plan.
- (q) "Unearned Compensation" means Compensation that is determined without regard to any election made by the Participant to reduce annual pay on a pre-tax basis (pursuant to the provisions of this Plan or any other plan maintained by the University or Affiliates), but that has not yet been earned.
- (r) "University" means the University of Kentucky, the sponsor of the Plan.

2.2 Illegality of Particular Provision. The illegality of any particular provision of this Plan shall not affect the other provisions, but the Plan shall be construed in all respects as if such invalid provision were omitted.

2.3 Applicable Laws. To the extent not preempted by ERISA, the Plan shall be governed by and construed according to the laws of the Commonwealth of Kentucky.

Article III. Participation

3.1 Eligibility.

- (a) Insurance Programs. For purposes of allocating Flexible Dollars to an Insurance Program pursuant to section 4.2(a), each person who was a "participant" in the Plan on (date), 1993 and was a Covered Employee on (date), 1993 shall automatically be a Participant on (date), 1993. Each other person shall become a Participant on the first day of the month coincident with or next following the later to occur of:
- (1) the date the person becomes a Covered Employee, or
 - (2) the Effective Date.
- (b) Health Care Account. For purposes of allocating Flexible Dollars to the health care account pursuant to section 4.2(b), each Covered Employee shall become a Participant on the first day of the month coincident with or next following the latest to occur of:
- (1) the date the person becomes a Covered Employee,
 - (2) the date the person completes at least 12 full months of regular half-time or more employment with the University or a participating Affiliate since the last date of the person's hire, or
 - (3) the Effective Date.
- (c) Dependent Care Account. For purposes of allocating Flexible Dollars to the dependent care account pursuant to section 4.2(b), each Covered Employee shall become a Participant on the first day of the month coincident with or next following

the later to occur of:

- (1) the date the employee becomes a Covered Employee, or
- (2) the Effective Date.

3.2 Duration. A Participant shall cease to be a Participant as of the date of termination of Employment.

Any such former Participant may continue to submit claims for dependent care expenses under section 4.4 incurred during the remainder of the Plan Year within which the Participant ceased to be eligible, up to the amount of the current account balance.

A former Participant may also submit claims for medical and dental expenses under section 4.4 incurred during the remainder of the Plan Year, including payments from the health care account up to the total amount elected under section 4.2(b), as if such former Participant remained an eligible Employee, subject to such former Participant's compliance with section 5.2 or election to make after-tax contributions under the terms of ERISA.

A former Participant may submit claims for such expenses at any time during the Plan Year or the first 90 days of the following Plan Year.

3.3 Termination of Employment. If a Participant terminates employment with the Employer, then such individual shall be deemed to have revoked any existing benefit elections under section 4.2(a) and to have terminated the receipt of benefits under section 4.2(b) for the remainder of the Plan Year, unless such Participant elects to continue making after-tax payments to the Plan in order to receive coverage pursuant to the terms of ERISA and section

3.4. However, if such individual returns to employment with the Employer during such Plan Year, such individual shall not be permitted to make any new benefit elections for the remainder of the Plan Year, and in the year of return, the Participant may elect only the same benefits under the Plan as were in effect prior to termination of employment.

3.4 Continuation of Health Care Benefits. Under sections 601 through 608 of ERISA, the Employer is required to offer certain Participants (and their family members) the right to continue the health care benefits under Plan coverage, at their own expense, in the event certain events cause a loss of Plan coverage.

(a) Definitions. The following terms, as used in this section 3.4, have the meaning specified below:

- (1) "Continuation Coverage" means health care benefits provided under the Plan identical to those provided to similarly situated Participants who have not lost health care benefit coverage on account of a Qualifying Event.
- (2) "Qualified Beneficiary" means a covered Participant, a Participant's covered spouse, a Participant's covered surviving spouse, or a covered dependent child of a Participant who loses coverage for health care benefits provided under the Plan on account of a Qualifying Event.
- (3) "Qualifying Event" means--
 - (A) the death of a covered Participant,
 - (B) the termination of employment of a covered Participant (unless the termination of employment is on account of gross misconduct),
 - (C) a reduction in the hours of employment of a covered

Participant,

(D) the entitlement of a covered Participant for Medicare,

(E) the event which causes a covered dependent child to lose dependent status under the Plan, or

(F) a divorce or legal separation from a covered participant.

(b) General Rule. In the event a Qualified Beneficiary loses health care benefit coverage under the Plan on account of a Qualifying Event, the Employer shall offer such Qualified Beneficiary the right to elect Continuation Coverage for the period specified in subsection (c) below. To be eligible to elect Continuation Coverage, the Qualified Beneficiary must have been actually covered under health care benefit coverage under the Plan on the day before the Qualifying Event.

(c) Period of Continuation Coverage. For the events described in section 3.4(a)(3)(A), (D), (E), and (F), the period of Continuation Coverage is 36 months from the date of the first Qualifying Event. For the Qualifying Events described in section 3.4(a)(3)(B) and (C), the period of Continuation Coverage is 18 months from the date of the first Qualifying Event. However, in the case of multiple Qualifying Events or in the case of an event described in section 3.4(a)(3)(D), the period of continuation coverage shall be increased to the extent required by ERISA. Continuation Coverage will automatically end for a Qualified Beneficiary if any one of the following events occurs:

- (1) the Employer no longer provides group health coverage to any of its Employees,
- (2) the premium for Continuation Coverage is not paid within the grace period allowed by law,

- (3) the Qualified Beneficiary becomes covered under another group health plan which does not contain an exclusion with respect to a preexisting condition of the Qualifying Beneficiary, or
- (4) the Qualified Beneficiary becomes entitled to Medicare.
- (d) Paying for Continuation Coverage. The Employer will charge each Qualified Beneficiary who elects Continuation Coverage the applicable premium for such coverage. No claims will be paid under Continuation Coverage until proper premium payment is made.
- (e) Electing Continuation Coverage. The Continuation Coverage must be elected by a Qualified Beneficiary within the time limit specified in ERISA. The Employer shall develop notice and election procedures in accordance with ERISA.
- (f) Coordination with Other Plan Provisions. Continuation Coverage will not affect any other continuation provision in the Plan. However, if the Employer subsidizes Continuation Coverage, the continuation period described in (c) above will run concurrent with, and not consecutive to, any Employer-provided continuation.
- (g) Legal Requirements. It is the intent of the Employer to provide Continuation Coverage benefits in accordance with the federally required minimum benefits provisions of ERISA. The Employer shall develop written administrative guidelines and interpretive procedures to be used in complying with the continuation of benefits provisions of ERISA. To the extent that this section 3.4, or any administrative guidelines or interpretive procedures inadvertently conflict with ERISA, the applicable sections of ERISA shall control.

Article IV. Benefits

4.1 Flexible Dollars. A Participant's Flexible Dollars with respect to any Plan Year shall be an amount by which a participant's Unearned Compensation is reduced pursuant to section 5.2.

4.2 Benefits. Upon becoming a Participant and prior to each following Plan Year, a Participant may have Flexible Dollars allocated among the applications described in subsections (a), (b), or (c) below. Such allocation shall be made on a form provided by the Plan Administrator and shall be irrevocable for the duration of the applicable Plan Year, except that, in the event of a Change in Family Status, a Participant may change the allocation in accordance with the terms of section 5.1 for the balance of the applicable Plan Year in which such change occurs. Such allocation may also be changed or suspended automatically by the Plan Administrator to reflect a change in the cost of coverage under subsection (a) or if necessary to comply with any discrimination standards found in Code sections 105, 125, 129, or other sections of the Code or ERISA.

- (a) Insurance Programs. Flexible Dollars may be allocated to making the premium payments that are from time to time required for the type and/or level of coverage for the Participant and any dependents under the Insurance Programs made available to Participants by the Employer. The premium payments required for each type and level of coverage (including an election to receive no coverage) made available shall be communicated to Employees by the Employer prior to commencement of the applicable Plan Year. The allocation of a Participant's Flexible Dollars for premium payments shall be automatically increased or decreased, as the

case may be, on account of any changes in the health plan premiums charged by an independent, third-party provider for corresponding Insurance Program coverage or on account of any change in the Employer contributions used to assist Participants in obtaining such coverage.

- (b) Health Care Account. Flexible Dollars may be allocated to a health care account for reimbursement of those expenses of the Participant and the Participant's dependents which would be reimbursed under the Employer's medical plans but for the effect of a deductible amount limitation on the amount of the reimbursement allowable or a copayment provision. In addition, expenses may be reimbursed for the following to the extent the they have been submitted to the Employer's medical plans and have been determined to not be reimbursable under such plans:
- (1) dental care;
 - (2) vision care (including examinations, glasses, and contact lenses);
 - (3) hearing care (including examinations and hearing aids);
 - (4) orthodontia;
 - (5) prescription drugs; and
 - (6) any other medical expenses as defined in Code section 213(d), as permitted under final or proposed regulations in effect under Code section 125, and approved by the Plan Administrator.

The maximum amount of Flexible Dollars that may be allocated under this section 4.2(b) in any Plan Year shall be \$1,000. The minimum amount of Flexible Dollars that may be allocated under this section 4.2(b) in any Plan Year shall be \$250.

(c) Dependent Care Account. Flexible Dollars may be allocated for reimbursement of dependent care expenses to the extent that the provisions of section 4.3 are met. The maximum amount of Flexible Dollars that may be allocated under this section 4.2(c) in any calendar year shall be \$5,000 unless the Participant either is single or is married and filing a separate tax return. Similarly, the maximum amount of Flexible Dollars that may be allocated under this section 4.2(c) in any plan year shall be \$5,000 unless the Participant either is single or is married and filing a separate tax return. If the Participant is married and filing a separate tax return or is single, the maximum amount of Flexible Dollars that may be allocated under this section 4.2(c) in any calendar year shall be \$2,500. Similarly, if the participant is married or filing a separate tax return or is single, the maximum amount of Flexible Dollars that may be allocated under this section 4.2(c) in any plan year shall be \$2,500. The minimum amount of Flexible Dollars that may be allocated under this section 4.2(c) in any Plan Year shall be \$500.

4.3 Dependent Care Expenses.

(a) Dependent care expenses as used in section 4.2(c) means expenses described in Code section 21(b)(2) that are incurred both to:

- (1) care for a dependent [as defined in subsection (b)], and
- (2) enable the Participant to be gainfully employed.

If such expenses are incurred for services provided outside the Participant's household, they shall be deemed to meet the requirements of this subsection (a) only if either:

- (A) they are incurred for the care of a dependent of the

Participant who is under age 13 and with respect to whom the Participant is entitled to a deduction under Code section 151(c), or

- (B) they are incurred for the care of a dependent of the Participant who regularly spends at least eight hours each day in the Participant's household.

In addition, if such expenses are incurred for services provided outside the Participant's household by a dependent care center [as defined in Code section 21(b)(2)(D)], they shall be deemed to meet the requirements of this subsection (a) only if such center meets all applicable laws and regulations of state or unit of local government. Amounts paid or incurred by a Participant shall not be dependent care expenses within the meaning of this subsection (a) if:

- (i) such amounts are paid to an individual with respect to whom, for the Plan Year, a deduction is allowable under Code section 151(c) either to such Participant or the spouse of such Participant, or
 - (ii) such amounts are paid to an individual who is a child of the Participant [within the meaning of Code section 151(c)(3)] under the age of 19 at the close of such Plan Year.
- (b) Dependent means a dependent of the Participant who is under age 13 and with respect to whom the Participant is entitled to a deduction under Code section 151(c), or who is physically or mentally incapable of self care. The term "dependent" may include the spouse of the Participant.
- (c) Reimbursements to a Participant who is married at the close of

such Participant's taxable year for dependent care assistance may be made only if the Participant's spouse has earned income [as defined in Code section 21(d)] for the year, is a full-time student at least five months of the year, or is incapable of self care. Reimbursements may not exceed the earned income for the year of a Participant who is not married at the close of such Participant's taxable year or, if the Participant is married at the close of such Participant's taxable year, the lesser of the earned income for the year of the Participant or Participant's spouse. For this purpose, the "earned income" of a spouse who is a student or is incapable of self care shall be \$200 per month if there is one qualifying individual for whom care is required in subsection (a) above or \$400 per month if there are two or more qualifying individuals.

- (d) As provided in Code section 129(d)(8), the average benefits provided under this section 4.3 to Employees who are not highly compensated must be at least 55 percent of the average benefits provided to Employees who are highly compensated. To the extent that this average is not met, the Plan Administrator is empowered to reduce or eliminate future allocations under section 4.2(c) and the associated compensation reductions for highly compensated employees, treat reimbursements to highly compensated employees under section 4.2(c) as taxable income, or any combination of these [or other methods to establish that this Plan meets the requirements of Code section 129(d)(8)].
- (e) The Plan Administrator shall furnish to a Participant who has received dependent care assistance benefits during a calendar year, on or before the following January 31, a written statement

showing the amounts paid by the Participant's Employer in providing such benefits during the prior calendar year.

4.4 Payment of Claims for Reimbursement.

- (a) Except as provided in section 3.2, claims for reimbursement under section 4.2(b) and (c) of expenses incurred during a Plan Year may be submitted at any time during the Plan Year, or during the first 90 days of the following Plan Year, provided that claims applicable to benefits described in section 4.2(b) were first submitted to any medical or dental plan and either wholly or partially denied.
- (b) Health care expense claims under section 4.2(b) shall be paid to the extent of Flexible Dollars allocable to section 4.2(b) for the full Plan Year (reduced by any prior reimbursements), regardless of whether such Flexible Dollars have yet been so allocated.
- (c) Dependent care assistance expense claims under section 4.2(c) shall only be paid to the extent of available Flexible Dollars allocated to section 4.2(c) as of the date of the claim for payment. To the extent a claim under section 4.2(c) exceeds the Flexible Dollars allocated, the amount in excess will be pending and will be paid to the extent of future Flexible Dollar allocations under section 4.2(c).
- (d) Claims shall only be paid out of Flexible Dollars for the Plan Year in which the claim was incurred. Claims incurred prior to becoming or after ceasing to be a Participant shall not be covered by this Plan, except as provided in section 3.2.
- (e) Claims shall be submitted on forms approved by the Plan Administrator. Any claim for reimbursement expenses under section

4.2(b) or (c) must be accompanied by a written statement from a third party, such as a bill, invoice, receipt, insurance company explanation of benefits, or other written verification satisfactory to the Plan Administrator that the expense has been incurred. In addition, the Participant shall submit a written statement that the medical expense has not been reimbursed and is not reimbursable under any other health plan coverage.

- (f) Payment of covered claims shall be made directly to the Participant by the Participant's Employer, or the Employer's designee.
- (g) The Plan Administrator may establish a minimum claim amount that will be reimbursable; provided, however, that such minimum will not apply during the 90-day grace period following the end of the Plan Year.

4.5 Unused Flexible Dollars. Any amount of the Participant's Flexible Dollars allocated for reimbursement of medical expenses under section 4.2(b) and for reimbursement of dependent care assistance under section 4.2(c) and not so used for a Plan Year shall be forfeited. Any forfeitures shall be first applied to offset any Employer losses due to health care expense claims under section 4.4, and any remaining forfeitures shall be used to defray administrative costs of the Plan.

Article V. Elections

5.1 Election of Benefits Coverage.

- (a) Annual Elections. Upon commencement of participation in the Plan and prior to each following July 1, a Participant shall designate on a form provided by the Plan Administrator the categories and levels of coverage described in section 4.2(a) and the allocations under 4.2(b) and (c) which the Participant elects. Such elections shall be irrevocable for the duration of the Plan Year.
- (b) Change in Family Status. The foregoing notwithstanding, the Participant may, in the event of a Change in Family Status, change elections under section 4.2 for the balance of the Plan Year in which such Change in Family Status occurs. Any change in a participant's previous elections must be both on account of and consistent with the Change in Family Status; provided, however, that a change in the Participant's elections under section 4.2(a) or (b) shall not be permitted in the event of a Change in Family Status pursuant to section 2.1(b)(5).

Upon a Change in Family Status, a change may be made in the Participant's category of coverage, but not in the level of coverage, except that the Participant may change from a "no coverage" option if the Participant has lost coverage under a spouse's plan. The change shall become effective as of the date on which the Change in Family Status occurs, provided that the Plan Administrator receives notice of the Change in Family Status and the Participant makes a new election within 30 days after such date. If notification is received later than 30 days after the date on which the Change in Family

Status occurs, no changes related to the Change in Family Status shall be permitted for the remainder of the Plan Year.

5.2 Election to Reduce Unearned Compensation.

- (a) Election to Reduce Unearned Compensation. Prior to the commencement of participation in the Plan and prior to each following July 1, each participant may elect, on a form provided by the Plan Administrator, to receive a reduced amount of Unearned Compensation for the Plan Year, in return for which the Participant shall be credited at the end of each Pay Period with the prorated amount by which the Participant's Unearned Compensation has been reduced for that Pay Period.

If a Participant's Unearned Compensation for a Pay Period is insufficient to permit the prorated reduction of the Unearned Compensation for such Pay Period to be credited in full, the Employer may permit the Participant's Unearned Compensation for such Pay Period to be reduced by a portion of the prorated amount, and the remaining portion of the prorated amount shall be deemed in arrears. A Participant whose reductions in Unearned Compensation are in arrears at the end of any calendar month during a Plan Year shall be required to satisfy any deficiency in such reductions by the end of the calendar month in which the deficiency occurs. Failure to satisfy any deficiency will result in revocation of the specific benefit election made under section 4.2 for the remainder of the Plan Year.

Any participant who is on a leave of absence may continue

participation in the plan during the period of the leave of absence provided that payments continue to be made on the scheduled dates which in any event is no later than the last working day in the calendar month. Failure to satisfy any deficiency will result in revocation of the specific benefit election made under section 4.2 for the remainder of the Plan Year. Any individual continuing on a leave of absence who has had revocation of a specific benefit election will be eligible to re-enroll in the plan in the open enrollment period following return to duty as an eligible employee. The University will permit advance payments through the Payroll process prior to the leave in order to satisfy elections made under section 4.2 for any unearned compensation within the Plan Year.

- (b) Employee Who Becomes Participant during Plan Year. In the case of an Employee who becomes a Participant during a Plan Year, the Participant shall be allowed to reduce any Unearned Compensation for the remaining portion of the Plan Year in which the Employee becomes a Participant. Such reduction shall be in an amount determined by the Participant, pursuant to rules established by the Plan Administrator.
- (c) Failure of Eligible Employee to Make Election to Reduce Unearned Compensation. An eligible Employee who fails to make an Unearned Compensation reduction election within 30 days after becoming eligible to participate in the Plan shall not be allowed to make such election until the following Plan Year.
- (d) Irrevocability of Election to Reduce Unearned Compensation. Any election to reduce Unearned Compensation shall be irrevocable for the duration of the Plan Year, except that, in the event of a

Change in Family Status, the Participant may change an election (or make an election) for the balance of the Plan Year in which the Change in Family Status occurs, provided that the change in election is made in accordance with the terms and limitations of section 5.1. Such election may also be changed or suspended by the Plan Administrator if necessary to comply with any nondiscrimination standards found in Code sections 105(h), 125, 129, or other sections of the Code or ERISA.

- (e) Change in Election to Reduce Unearned Compensation. Any increase or decrease in an election to reduce Unearned Compensation due to changes allowed under section 5.1 shall be made as of the first Pay Period following receipt of the change by the payroll system, provided that notice of the change is received by the Plan Administrator within 30 days after the Change in Family Status occurs.

Article VI. Administration and Financing

6.1 Administration. The Plan Administrator shall administer the Plan and shall have the authority to exercise the powers and discretion conferred on it by the Plan and shall have such other powers, discretion, and authority necessary or proper for the administration of the Plan. The University shall designate one or more of its officers or employees to control and administer the Plan.

The Plan Administrator may adopt such rules and regulations for the administration of the Plan as it shall consider advisable and shall have full power, discretion, and authority to enforce, construe, interpret, and

administer the Plan. All interpretations under the Plan and all determinations of facts made in good faith by the Plan Administrator shall be final, conclusive, and binding on the Participants, their dependents, and all other persons interested and shall be given the maximum possible deference allowed by law.

The Plan Administrator may delegate to any agent, attorney, accountant, or other person selected by it, any power or duty vested in, imposed upon, or granted to it by the Plan.

6.2 Appeal From Denial of Claims. If any claim for benefits under the Plan is wholly or partially denied, the claimant shall be given notice in writing of such denial within 90 days after receipt of the claim (or if special circumstances require an extension of time, written notice of the extension shall be furnished to the claimant and an additional 90 days will be considered reasonable), setting forth the following information:

- (a) the specific reason or reasons for such denial;
- (b) specific reference to pertinent Plan provisions on which the denial is based;
- (c) a description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary;
- (d) an explanation that a full and fair review of the decision denying the claim may be requested by the claimant or his authorized representative by filing with the Plan Administrator, within 60 days after such notice has been received, a written request for such review; and
- (e) if such request is so filed, the claimant or an authorized

representative may review pertinent documents and submit issues and comments in writing within the same 60-day period specified in subsection (d) above.

The decision shall be made promptly, and not later than 60 days after the receipt of the request for review, unless special circumstances require an extension of time for processing, in which case the claimant shall be so notified and a decision shall be rendered as soon as possible, but not later than 120 days after receipt of the request for review. The claimant shall be given a copy of the decision promptly. The decision shall be in writing and shall include specific reasons for the decision, written in a manner calculated to be understood by the claimant, and specific references to the pertinent Plan provisions on which the decision is based.

6.3 Expenses of Administration. The Employer may charge each Participant for any recordkeeping expenses relating to the Participant's Flexible Dollar allocations pursuant to section 4.2.

6.4 Notification of Employees. The Plan Administrator and the Employer shall communicate in writing to all eligible Employees the terms and conditions of the Plan.

6.5 Rights Against the Employer. Neither the establishment of the Plan, nor any modification thereof, nor any payments hereunder, shall be construed as giving to any Participant or any person whomsoever any legal or equitable rights against the Employer or officers of the Employer, as such, or as giving any person the right to be retained in the employ of the Employer.

6.6 Nonalienation. No benefit payable under the provisions of the Plan shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, or transfer, assign, pledge, encumber, or charge shall be void; nor shall such benefits be in any manner liable for or subject to the debts, contracts, liabilities, engagements, or torts of, or claims against, any Participant or dependent, including claims of creditors, claims for alimony or support, and any like or unlike claims.

6.7 Payments. All payments will be made directly by the Employer from its general assets.

6.8 Facility of Payment. Every person receiving or claiming benefits under the Plan shall be conclusively presumed to be mentally competent until the date on which the Plan Administrator receives a written notice, in a form and manner acceptable to the Plan Administrator, that such person is incompetent and that a guardian, conservator, or other person legally vested with the care of the person's estate has been appointed; provided, however, that if the Plan Administrator shall find that any person to whom a benefit is payable under the Plan is unable to care for one's own affairs because of incompetency, any payment due (unless a prior claim therefore shall have been made by a duly appointed legal representative) may be paid to the spouse, a child, a parent, a brother or sister, of said person, or to any person or institution deemed by the Plan Administrator to have incurred expenses for such person otherwise entitled to payment. In the event a guardian or conservator of the estate of any person receiving or claiming benefits under the Plan shall be appointed by a court of competent jurisdiction, payments shall be made to such guardian or conservator, provided that proper proof of appointment and continuing qualification is furnished in a form and manner

acceptable to the Plan Administrator. Any payment made in accordance with this section 6.8 shall be a complete discharge of liability therefore under the Plan.

6.9 Benefits Payable to Key Employees. Under no circumstances shall payment of a benefit be made to a "key employee" [as defined in Code section 416(i)(1)] if such payment would result in the total benefits under the Plan which are paid to key employees exceeding 25 percent of the total benefits provided to all Participants under the Plan during a particular Plan Year.

6.10 Indemnification. To the extent permitted by law, all officers and employees of the Employer and all agents and representatives of the Employer shall be indemnified by the Employer, and saved harmless against any claims, and the expenses of defending against such claims, resulting from any action or conduct relating to the administration of the Plan, except claims arising from such individual's gross negligence, willful neglect, or willful misconduct.

Article VII. Adoption Procedure

7.1 Adoption Procedure. With the consent of the University, an Affiliate of the University may adopt this Plan for all or any classification of persons in its employment, as permitted by the Code, on the express condition that the University assumes no liability as a result of such adoption of this Plan. An Affiliate may adopt this Plan by:

- (a) executing an adoption instrument adopting the Plan with respect to all or any particular classification of persons in its employment, agreeing to be bound as a participating Employer by all the

provisions of the Plan, and designating the University as its agent to act for it in transactions regarding the Plan, including its amendment, termination, and administration; and

- (b) compiling and submitting all information to the University required with reference to persons in its employment eligible for membership in the Plan.

The adoption instrument may contain such changes and variations in Plan terms as may be acceptable to the University. The adoption instrument shall specify its effective date and the name of the Plan as it pertains to the adopting organization and the adopting organization's Employees and shall become, as to such organization and persons in its employment, a part of this Plan. Upon its adoption of the Plan, such organization shall be deemed a participating Affiliate.

7.2 Withdrawal of Participating Employer (Affiliate). A participating Employer (Affiliate) may, with the University's permission, withdraw from the Plan by requesting such permission at least 90 days in advance of the date on which it wishes to terminate its participation in the Plan.

Article VIII. Amendment and Termination

8.1 Amendment and Termination of the Plan. The University expects the Plan to be permanent, but since future conditions affecting the Employer cannot be anticipated or foreseen, the University must necessarily and does hereby reserve the right to amend, modify, or terminate the Plan at any time and for any reason. By way of example and not by way of limitation, the University may make any modifications or amendments to the Plan that are

necessary or appropriate to qualify or maintain the Plan as a plan meeting the requirements of the applicable sections of the Code or the applicable provisions of ERISA or may suspend operation of the Plan due to repeal or modification of any applicable portions of the Code or ERISA. The Plan shall not be used for or diverted to purposes other than for the exclusive benefit of participants or their dependents, and no amendment shall divest any person of an interest therein, except as may be required by the Internal Revenue Service or other governmental authority, or give any personally assignable or exchangeable interest or any right or thing of exchangeable value in advance of the time distribution is to be made to such person.

IN WITNESS WHEREOF, the UNIVERSITY OF KENTUCKY has caused this Plan to
be executed by its duly authorized officers, effective as of _____, 1993 on
this ____ day of _____, 19__.

UNIVERSITY OF KENTUCKY

ATTEST:

By _____

Its _____

BY _____

Its _____