

FCR 7

Office of the President
August 13, 2002

Members, Board of Trustees:

ESTABLISHMENT OF FRANKLIN E. TUTTLE MEMORIAL
QUASI-ENDOWMENT FUND

Recommendation: that the Board of Trustees approve the establishment of the Franklin E. Tuttle Memorial Quasi-Endowment to provide general support of the programs in the Department of Chemistry.

Background: In 1988, the University of Kentucky received \$1,417,000 from the estate of A. Sidney Behrman, as a memorial to Dr. Franklin C. Tuttle, a former chemistry professor at the University of Kentucky. Mr. Behrman's will stipulated that the bequest be used for the benefit of the Department of Chemistry.

The bequest of \$1,417,000 was placed in a restricted account and has been invested annually in the University's short-term investment program. Interest earnings and portions of the original gift have been used to support the Department of Chemistry undergraduate and graduate programs. The restricted account has a current balance of \$1,340,894.

Dr. Boyd Haley, Chair, Department of Chemistry, has requested that the current balance in the restricted fund be transferred to an Endowment account in order to achieve a long-term perspective for investment purposes, which will allow the University to better fulfill its stewardship responsibilities.

The principal will be placed in the pooled endowment investments and will generate an annual spending distribution of approximately \$67,000 for support of the Department of Chemistry.

Action Taken: Approved Disapproved Other _____