

# FCR 4

Office of the President  
December 10, 2002

Members, Board of Trustees:

ESTABLISHMENT OF BELLE R. JOHNSTON  
QUASI-ENDOWMENT FUND

Recommendation: that the Board of Trustees approve the establishment of the Belle R. Johnston Quasi-Endowment to provide scholarships to undergraduate students based on academic achievement.

Background: In the 1970's, the University of Kentucky received gifts of approximately \$185,000 from Belle R. Johnston, whose son graduated from the University in 1932. Although the gifts were unrestricted, Ms. Johnston expressed the hope that the gifts would be used to help deserving students. These gifts have been invested in the short-term investment program, with interest earnings used to provide undergraduate scholarships based on academic achievement. The current value of the Belle R. Johnston gift fund is \$346,400.

Sandra Copher, Director of Academic Scholarship Programs, has requested that \$220,000 of the Belle R. Johnston gift fund be transferred to the Endowment in order to achieve a longer-term perspective for investment purposes. The initial principal of \$220,000 will generate annual spending distributions of approximately \$11,000.

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Action taken:     Approved     Disapproved     Other \_\_\_\_\_