

Minutes of the retreat of the Board of Trustees of the University of Kentucky, Thursday, August 17, 2006.

The Board of Trustees of the University of Kentucky began its retreat at 1:00 p.m. (Lexington time) on Thursday, August 17, 2006 at Donamire Farm, 4151 Old Frankfort Pike, Lexington, Kentucky.

Mr. James Hardymon, Chair, asked Barbara Jones, General Counsel, to administer the Oath of Office to the new members.

A. Oath of Office

Ms. Jones administered the Oath of Office to the following members:

Sandy Patterson, appointed by Governor Ernie Fletcher to replace Marianne Smith Edge, for a term ending June 30, 2012.

Erwin Roberts, appointed by Governor Ernie Fletcher to replace Steven S. Reed, for a term ending June 30, 2012.

B. Members Present

The following members of the Board of Trustees were present: Mira Ball, Stephen Branscum, Jonah Brown, Penelope Brown, Dermontti Dawson, Jeffrey Dembo, Ann Haney, James Hardymon (Chair), Billy Joe Miles, Phillip Patton, Sandy Patterson, Erwin Roberts, Frank Shoop, Myra Leigh Tobin, Billy Wilcoxson, Russ Williams, and Ernest Yanarella. The university administration was represented by President Lee T. Todd, Jr., Provost Kumble Subbaswamy, and Executive Vice President for Health Affairs Michael Karpf.

C. Opening Remarks by Chair

Mr. Hardymon welcomed the members and thanked them for attending the retreat. He noted that three members of the Board were absent: Pamela May, JoEtta Wickliffe, and Barbara Young.

Mr. Hardymon reviewed each item on the agenda and explained the format for the afternoon. As in the past, Board members had been asked for their input in completing the agenda.

D. President Lee Todd's Comments

President Todd commented on several items.

Spindletop Retirement Community – The issue is moot, and UK will be looking at other sites.

Police Chief Status – Joe Monroe, Senior Officer, is serving as Acting Police Chief. We will be examining different ways to approach in selecting a new Chief of Police.

Fall 2006 Enrollment – The quality and diversity of fall enrollment is pleasing. Fall enrollment will be larger than 3,800. The yield is up 5 percent from last year. We have decided to start the process to hire 54 rather than 27 new faculty to Address this increase, and this does not include College of Medicine hires. Transfer and readmission numbers are higher.

Student Market Study with Stamats – The Stamats Company has been on campus to help in making the recruiting process as efficient as possible. The efforts will also assist with decisions regarding marketing.

Undergraduate Program – The program is well poised at doing better and being a role model for other universities.

Faculty/Staff Benefits – The Work-Life survey results are being analyzed. Human Resources is reviewing all benefits for faculty and staff, including tuition, domestic partners benefits, potential cafeteria plan, and staff education opportunities.

Research – Dr. Wendy Baldwin, Executive Vice President for Research, will be leaving the university. Plans are to move quickly to fill the position.

Capital Campaign Status – Donations are looking good. The number of gifts continues to outpace last year in number. Mitch Barnhart has a commitment of a very large gift, and that announcement will soon take place.

Top 20 Plan – The Top 20 Plan is still working for the university. The Office of International Affairs developed a plan for sending students overseas, and the plan has been well received on campus.

President Todd concluded his remarks by stating that he will spend some time focusing on the National Science Foundation grant for STEM (science, technology, engineering, and mathematics), capital construction, and outreach this next year.

E. Strategic Plan Update

Provost Kumble Subbaswamy gave a Strategic Plan update. He distributed a handout showing the timeline, the goals and themes matrix for action plans, and the indicators of progress. He noted that the departments will map strategies. He pointed out that there could be some slight changes in the handout. The final plan will be a more inclusive statement when

presented to the Board at its October meeting. He welcomed comments from the Board, and there was an exchange of questions and answers. Mr. Hardymon suggested that two or three briefings for the Board be scheduled prior to the presentation of the Strategic Plan at the October Board meeting.

Provost Subbaswamy reported that faculty members are returning to campus from their summer break, and there is a lot of excitement. He commented about the positive energy that President Todd has generated on campus.

F. President's 2006-07 Performance Goals

Mr. Hardymon provided some background information about President Todd's performance goals and his bonus. He distributed a draft of the 2006-07 performance goals and suggested that the Board continue the process with using objectives. He said the he attempted to lay out a plan for 2006-07 that involved the Strategic Plan. He entertained questions from the Board, and a lengthy discussion followed.

G. Briefing by Legal Counsel

Barbara Jones, General Counsel, gave a brief report on pending litigation and some proposed Governing Regulations changes.

H. 2007 Meeting Schedule

Mr. Hardymon called attention to the proposed 2007 meeting schedule that had been presented to the Board. The proposed schedule was agreed upon and will be presented at the September 20 meeting. Mr. Hardymon said that a retreat date for next year will be determined as soon as possible.

I. University Hospital Project Update

Dr. Michael Karpf, Executive Vice President for Health Affairs, distributed a handout providing an update and pictures of the hospital project. He reported that the schematic design is complete. The design development is beginning, and they will be considering details of the interior and exterior of the building. He noted that they will be seeking reactions to the design in a few months. He reviewed the upcoming project dates with the Board.

Dr. Karpf provided charts and talked about the volume growth, revenue growth, and cash position of the hospital. There was an exchange of questions and answers by Dr. Karpf and the Board members throughout his presentation.

J. Meeting Adjourned

Mr. Hardymon thanked everyone for attending the retreat. Everyone participated, and it was a good retreat. The retreat ended at 5:30 p.m.

Respectfully submitted,

Barbara W. Jones
Assistant Secretary
Board of Trustees