

# FCR 10

Office of the President  
June 24, 2016

Members, Board of Trustees:

## AUTHORIZATION OF NEGOTIATED DISPOSITION OF PERSONAL PROPERTY

Recommendation: that the Board of Trustees authorize the non-routine disposition of personal property from a closed healthcare clinical practice located at 200 Medical Center Drive in Hazard, KY 40831, and 90 Ball Park Road, Harlan, KY 40831 for a negotiated sale price of \$205,900 to Appalachian Heart Center, P.S.C., as being in the best interests of the University.

Background: Kentucky Revised Statute 164A.575 requires that the Board of Trustees approve disposition of any surplus property owned by the University of Kentucky. Administrative Regulation 8:1, approved by the Board of Trustees at its March 2007 meeting, establishes the policy for disposition of personal property. For non-routine dispositions, an order is submitted to the Board of Trustees on an item-by-item basis setting forth the description of personal property, reasons for disposition, and method of disposition. Pending approval by the Board of Trustees, University officials have negotiated an asset purchase agreement for the sale of the assets from a closed clinical practice at the locations listed above to the organization, Appalachian Heart Center, P.S.C., that will be practicing in those two locations.

An agreed upon independent third party, LBMC, conducted a Fair Market Valuation study on the assets to be sold. The estimated fair market value was \$208,322, less an adjustment for depreciation until the time of sale of \$2,422, resulting in a final sales price of \$205,900. The non-capital assets were valued at \$74,752, while the capital assets were valued at \$133,570. The capital assets have a net book value of \$59,244. The assets are listed in the attachment.

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