

# FCR 3

Office of the President  
May 9, 2014

Members, Board of Trustees:

EXPANSION OF PURPOSE OF  
CENTRAL KENTUCKY MANAGEMENT SERVICES, INC.

Recommendation: that the Board of Trustees approve an expansion of the purpose of affiliated corporation Central Kentucky Management Services, Inc. (“CKMS”), to include the provision of management, staffing or other support services to health care facilities, entities or enterprises located beyond the University’s main campus, support the University’s missions of teaching, research and service, or any other lawful purpose permitted by Kentucky law; and that the appropriate officials of the University be authorized by the President to execute any necessary contracts with CKMS to effect said expanded purpose.

Background: At the direction of the Board of Trustees, CKMS was formed in 1973 as an affiliated corporation under the name Health Care Collection Service, Inc. The current stated purpose of CKMS is “to do and perform all things necessary or desirable to perform billing and collection services to effect the collection of amounts due by virtue of services rendered or materials furnished by the Albert B. Chandler Medical Center of the University of Kentucky and other nonprofit hospitals or employees or agents of any of the above.”

As the University’s health care programs expand and become more diverse and widespread, there is a need to have a University affiliated corporation provide management, staffing and other support services to health care facilities, entities or enterprises (either University-owned or non-University owned) located beyond the boundaries of the University’s main campus. CKMS has the ability to provide these services but requires an expansion of the purpose set forth in its Articles of Incorporation in order to do so.

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