

THE UNIVERSITY OF WYOMING
MINUTES OF THE TRUSTEES

June 25, 1986

For the confidential information
of the Board of Trustee

THE UNIVERSITY OF WYOMING

Minutes of the Trustees
June 25, 1986

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THE UNIVERSITY OF WYOMING

Minutes of the Trustees
June 25, 1986

A regular meeting of the Trustees of the University of Wyoming was called to order by President Mickelson at 3:50 p.m. on June 25, 1986 in the Board Room of Old Main.

ROLL CALL

The following Trustees were in attendance: Gillaspie, Hinckley, McCue, Mickelson, Miracle, Rochelle, Sawyer, Schuster, Smith, Updike, and ex officio members Jamieson, Simons, and Veal. Trustee members Bussart, Chapin, and ex officio member Governor Herschler were absent.

APPROVAL OF MINUTES

President Mickelson asked if there were any corrections or additions to the minutes of the meeting of May 17, 1986. There were no corrections or additions and Mr. Gillaspie moved that the minutes of May 17, 1986, be approved as circulated. The motion was seconded by Mr. Hinckley, and it carried.

RATIFICATION OF EXECUTIVE
COMMITTEE ACTION--Trustee
Symposium

President Mickelson reported on the conference telephone meeting of the Executive Committee of the Trustees which was held on June 2, with committee members Mickelson, Sawyer, Chapin, and McCue participating. Committee member Hinckley was

absent. President Veal also participated in the meeting.

President Veal informed the members of the Executive Committee that estimates have been made of the cost of the Trustee Symposium scheduled for August 3-6, 1986 in Jackson. The estimated costs are:

| | | |
|--|------------|-------|
| Lodging (Racquet Club) | \$ 9,463 | |
| \$75.00 per night for 35 people, assuming average of 3.5 nights per attendee | | |
| Dinners | | |
| \$15.00 per dinner for 35 people, assuming 3 dinners | | 1,622 |
| Lunches | | |
| \$10.00 per lunch for 35 people, assuming 3 lunches | | 1,081 |
| Breakfasts | | |
| \$7.50 per breakfast for 35 people assuming 3 breakfasts | | 811 |
| Conference Room | 300 | |
| Travel for Symposium Dignitaries | 4,000 | |
| Travel for Wyoming (Trustees, UW Students, Community) | 2,500 | |
| Contingency (Honorarium, Symposium Dignitaries) | 2,000 | |
| Coffee | <u>150</u> | |
| | \$ 21,927 | |

The proposed site for the Symposium is the Jackson Hole Racquet Club (Aspens). The Club requires advance registration for the rooms (condominiums) and the source for this cost should be the unexpended balances in this fiscal year Trustee Reserve. In addition, to offset the impact on next year's budget, we suggest prepayment of the dinners, and the travel and honoraria for the Symposium dignitaries. With Trustee approval, prepayments from this year's Trustees Reserve would be \$17,085.

Dr. Veal reported to the Executive Committee that this year's Trustees Reserve presently has a balance of \$19,500. Sufficient

funds are available to prepay the cost of the rooms, the dinners, and the travel and honoraria for the Symposium dignitaries.

The Executive Committee authorized up to \$19,500 from the fiscal year 1986 Trustees Reserve for the Trustees Symposium, with such action to be ratified by the Trustees at the June 25, 1986 Trustees meeting.

Dr. Miracle moved ratification of the Executive Committee's action of June 2 to authorize up to \$19,500 from the fiscal year 1986 Trustees Reserve for the Trustees Symposium. The motion was seconded by Mr. Hinckley, and it carried.

RATIFICATION OF EXECUTIVE
COMMITTEE ACTION--Bond Counsel
for Refunding of the Series A
1984 and Series B 1984 Revenue
Bonds

President Mickelson
reported on the conference
telephone meeting of the

Executive Committee of the Trustees which was held on June 5, 1986, with committee members Mickelson, Sawyer, Chapin, and Hinckley participating. Committee member McCue was absent. President Veal and Vice President Todd also participated in the meeting.

President Veal told the Executive Committee that the Trustees Ad Hoc Committee on Revenue Bonds had a telephone conference call on June 4, 1986 for the purpose of submitting a recommendation on bond counsel for the refunding of the Series A 1984 and Series B 1984 revenue bonds. Vice President Todd reviewed with the Executive Committee the recommendation from the ad hoc committee, and Trustee Chapin, a member of the ad hoc committee, discussed the committee's recommendation. Based on the ad hoc committee's

recommendation, the Executive Committee selected Sherman and Howard, Denver, Colorado, as the Trustees' bond counsel for the refunding of the Series A 1984 and Series B 1984 revenue bonds with such action to be submitted to the Trustees for ratification at the June 25, 1986 meeting.

Mr. Miracle moved, Mr. Hinckley seconded, and it carried to ratify the action of the Executive Committee in selecting Sherman and Howard as the Trustees' bond counsel for the refunding of the Series A 1984 and Series B 1984 revenue bonds.

APPOINTMENT OF COMMITTEE CHAIR
FOR W.R. COE/CHARLES CHACEY
KUEHN ESTATE COMMITTEE

President Mickelson
appointed Leo P. McCue to

serve as Chairman for the W.R. Coe/Charles Chacey Kuehn Estate Committee.

ELECTION OF FOUR MEMBERS TO BOARD
OF DIRECTORS, UW RESEARCH
CORPORATION

President Mickelson called
on Trustee McCue for a

report of the nominating committee for four members to the Board of Directors of the UW Research Corporation. Trustees McCue and Chapin served as the nominating committee and presented the following nominations:

Trustee Members-At-Large - Ford Bussart and David Updike
UW Faculty Member - Sam Hakes
Individual Not Associated with UW - Larry Woods

President Mickelson called for nominations from the floor. There being none, Mr. Schuster moved that Messrs. Bussart, Updike, Hakes, and Woods be elected to serve as Directors of the UW Research Corporation, with terms to expire May 1989. The motion was seconded by Mr. Gillaspie, and it carried.

BUDGET COMMITTEE

President Mickelson called on Chairman Smith for a report from the Budget Committee meeting held on June 25, 1986. Committee members Smith, Gillaspie, McCue, Rochelle, and ex officio members Mickelson and Veal attended the committee meeting, along with other Trustees and University staff. Committee members Bussart and Chapin were absent. Based on recommendations from the Budget Committee, the following actions were taken by the full Board.

REVISED FISCAL YEAR 1987 BUDGET,
SECTIONS I AND IV

President Veal presented to the Budget Committee the 1987-88 authorized budget, Sections I and IV, explaining the reductions that were recommended to comply with the Governor's Executive Order 1986-3.

Based on the Budget Committee's recommendation, Mr. Smith moved the approval of the fiscal year 1987 budget authorizations for Sections I and IV, adjusted pursuant to directives from the Budget Division, Department of Administration and Fiscal Control, as included as Exhibit A in the FY 1987-1988 Authorized Budget, Sections I and IV, presented to the Trustees of the University of Wyoming, June 25, 1986. The motion was seconded by Mr. Gillaspie and it carried.

REVISED FISCAL YEAR 1987
SECTION II BUDGET

Based on the Budget Committee's recommendation, Mr. Smith moved the approval of the fiscal year 1987 budget authorizations for Section II, adjusted pursuant to directives

from the Budget Division, Department of Administration and Fiscal Control, as included as Exhibit B in the FY 1987-1988 Authorized Budget, Section II, presented to the Trustees of the University of Wyoming, June 25, 1986. The motion was seconded by Mr. Rochelle, and it carried.

SELECTION OF INVESTMENT FIRM,
REFUNDING OF SERIES A 1984 AND
SERIES B 1984 REVENUE BONDS

The Budget Committee was
advised that the Ad Hoc

Committee on Revenue Bonds met at 8:00 a.m. on June 25 and reviewed the eight proposals received from investment firms and interviewed representatives from each firm. Mr. Rochelle, Chairman of the Ad Hoc Committee, presented the Ad Hoc Committee's recommendation to the Budget Committee. Discussion was held on the selection of bond counsel and the reasons for selecting an out-of-state firm. The Ad Hoc Committee recommended the selection of Sherman and Howard, Denver, Colorado to the Executive Committee.

Upon a motion by Mr. Smith, seconded by Mr. McCue, it carried to approve:

- a) the appointment of Smith Barney, Harris Upham & Co. Inc.; Kaiser and Company; and Wyoming Financial Securities, Inc. as the investment banker and underwriter for the refunding of the Series A 1984 Facilities Refunding Bonds, subject to the consummation of a mutually acceptable agreement between the Trustees of the University of Wyoming and Smith Barney, Harris Upham & Co. Inc.; Kaiser and Company; and Wyoming Financial

Securities, Inc.;

- b) the authorization for the Vice President for Finance, in consultation with the Trustees' bond counsel (Sherman and Howard, Denver, Colorado), to negotiate an agreement with Smith Barney, Harris Upham & Co. Inc.; Kaiser and Company; and Wyoming Financial Securities, Inc. for investment banking services, provided the agreement includes a commitment to underwrite the refunding issue on acceptable terms and provided the underwriter's discount, excluding payment to the Trustees' bond counsel, does not exceed one and one-half percent (1.50%) of the par amount of the refunding bonds;
- c) an authorization to commit up to \$4,290,000 from the Trustees' debt service reserve established by the Trustees on June 27, 1984, for the purpose of reducing the principal amount of the refunding bonds;
- d) instructions to Smith Barney, Harris Upham & Co. Inc.; Kaiser and Company; and Wyoming Financial Securities, Inc. to submit a financing structure to the Budget Committee for the refunding bonds which i) utilizes up to \$4,290,000 of the funds from the Trustees' debt service reserve; ii) limits the highest principal and interest payment during any fiscal year on the refunding bonds (and the Series B 1984 Facilities Revenue Bonds, and the Second Lien 1978 Revenue Bonds) to a maximum of \$3,471,605; iii) limits the maturity of the refunding bonds to a date not later than June 1, 2006, and iv) is

- acceptable to the Trustees' bond counsel (Sherman and Howard, Denver, Colorado) and the Vice President for Finance of the University of Wyoming; and
- e) the authorization for the Budget Committee to request approval from the Executive Committee of the Trustees of the University of Wyoming, subject to subsequent ratification by the Trustees, for interim actions required to complete the refunding of the Series A 1984 Facilities Refunding Bonds in a timely and prudent manner.

This concluded the report from the Budget Committee.

PERSONNEL COMMITTEE

President Mickelson called on Acting Chairman Hinckley for a report from the Personnel Committee meeting held on June 25, 1986. Committee members Hinckley, Miracle, Sawyer, Schuster, Updike, and ex officio members Mickelson and Veal attended the Committee meeting, along with other Trustees and University staff. Based on the Personnel Committee's meeting, Mr. Hinckley moved approval of the appointments, adjunct appointments, adjunct reappointments, and administrative appointments. The motion was seconded by Mr. Miracle, and it carried.

APPOINTMENTS

The following appointments were approved.

College of Arts and Sciences

1. Robert R. Howell as Assistant Professor of Physics and Astronomy for the 1986-87 academic year effective August 28, 1986

at an annual (9-month) salary. This is a tenure track appointment.

2. Tyrone Marshall as Assistant Professor of Theatre and Dance for the 1986-87 academic year effective August 28, 1986 at an annual (9-month) salary. This is a tenure track appointment.

3. Richard A. Marston as Assistant Professor of Geography and Recreation for the 1986-87 academic year effective August 28, 1986 at an annual (9-month) salary. This is a tenure track appointment.

4. Earl J. Spillar as Assistant Professor of Physics and Astronomy for the 1986-87 academic year effective August 28, 1986 at an annual (9-month) salary. This is a tenure track appointment.

5. Ronald Steger as Assistant Professor of Theatre and Dance for the 1986-87 academic year effective August 28, 1986 at an annual (9-month) salary. This is a tenure track appointment.

6. Jonathan G. Taylor as Assistant Professor of Geography and Recreation for the 1986-87 academic year effective August 28, 1986 at an annual (9-month) salary. This is a tenure track appointment.

7. William E. Wormsley as Assistant Professor of Anthropology for the 1986-87 academic year effective August 28, 1986 at an annual (9-month) salary. This is a tenure track appointment.

College of Health Sciences

8. Christopher L. Krogh as Assistant Professor of Family Practice/Cheyenne for the 1986-87 fiscal year at an annual (11-month) salary. This is a tenure track appointment.

College of Law

9. Mark S. Squillace as Associate Professor of Law for the 1986-87 academic year effective August 28, 1986 at an annual (9-month) salary. This is a tenure track appointment.

ADJUNCT APPOINTMENTS

An adjunct appointment carries no tenure rights or

salary. The following adjunct appointments were approved under the conditions cited.

College of Arts and Sciences

1. Meredith Lane as Adjunct Assistant Professor of Botany for the period May 2, 1986 through May 1, 1989.
2. Carl Spath as Adjunct Assistant Professor of Anthropology for period May 8, 1986 through May 7, 1989.
3. Ronald J. Steel as an Adjunct Professor of Geology and Geophysics for the period July 1, 1986 through June 30, 1989.

College of Education

4. Theodore J. Chapin as Adjunct Assistant Professor of Counselor Education for the period July 1, 1986 through June 30, 1987.
5. Hudson F. Lasher as Adjunct Professor of Educational Administration and Adult Education for the period July 1, 1986 through June 30, 1989.

ADJUNCT REAPPOINTMENTS

The following faculty members were approved for

reappointment to adjunct status.

College of Arts and Sciences

1. Hans Eugster as Adjunct Professor of Geology and Geophysics for the period July 1, 1986 through June 30, 1989.
2. Peter Hassrick as Adjunct Professor of History for the period August 28, 1986 through May 18, 1989.

College of Commerce and Industry

3. Fred G. Doll as Adjunct Lecturer in Statistics for the period May 16, 1986 through May 15, 1989.

ADMINISTRATIVE APPOINTMENTS

The following administrative appointments were approved

under the conditions cited.

College of Arts and Sciences

1. Thomas Buchanan as Head of the Department of Geography and Recreation for the period August 28, 1986 through May 18, 1989.
2. Lawrence A. Cardoso as Head of the Department of History for the period June 9, 1986 through May 30, 1989.
3. James E. McClurg as Acting Head of the Department of Geology and Geophysics effective July 1, 1986. Dr. McClurg will serve until a permanent department head is named.

College of Health Sciences

4. Janis Jelinek as Associate Dean of the College of Health Sciences for the School of Health and Human Services for the period July 1, 1986 through June 30, 1987.

School of Extended Studies

5. Michael J. Cassity as Assistant Dean in the School of Extended Studies and Public Service, UW-Casper Program for the

period August 1, 1986 through August 31, 1987.

Intercollegiate Athletics

6. David L. Baker as Acting Athletic Director in Intercollegiate Athletics effective July 8, 1986.

Wyoming Water Research Center

7. Harold L. Bergman as Acting Director effective July 15, 1986 for a period of one year.

APPROVAL OF REAPPOINTMENTS,
CONTINUATION OF PROBATIONARY
APPOINTMENTS, PROMOTIONS, TENURE,
CHANGE IN ASSIGNMENT, CANCELLATION OF
SABBATICAL LEAVE, AND RETIREMENTS

Mr. Hinckley moved
approval of reappointments,
continuation of proba-

tionary appointments, promotions, tenure, change in assignment,
cancellation of sabbatical leave, and retirements. The motion was
seconded by Mr. Updike, and it carried.

REAPPOINTMENTS

The following reappointments
were approved for the

periods indicated.

1. Sidney L. Moller as Visiting Assistant Professor of Law in the College of Law for the period August 28, 1986 through June 30, 1987.

2. Mary McDonald as Assistant Women's Basketball Coach and Lecturer in Intercollegiate Athletics for the 1986-87 fiscal year.

CONTINUATION OF PROBATIONARY
APPOINTMENTS

The following members in
their third and fourth

years of service were reappointed for the year 1987-88.

| <u>Name</u> | <u>Department</u> | <u>Academic Rank</u> |
|-----------------|-------------------------------|----------------------|
| | <u>College of Engineering</u> | |
| Puckett, Jay A. | Civil Engineering | Assistant Professor |

| | | |
|---------------------|-----------------------|---------------------|
| Rose, James O. | Civil Engineering | Assistant Professor |
| Sharnam, Mrityunjai | Petroleum Engineering | Assistant Professor |

PROMOTIONS

The following promotions were approved to be effective July 1, 1986.

| <u>Name</u> | <u>Title</u> | <u>Promoted to</u> |
|-------------------------------------|---|---------------------|
| <u>College of Arts and Sciences</u> | | |
| Hagan, Joe | Assistant Professor of Political Science | Associate Professor |
| Hubert, Wayne | Assistant Professor of Zoology and Physiology | Associate Professor |

TENURE

The following people were placed on tenure effective August 28, 1986.

| <u>Name</u> | <u>Department</u> | <u>1986-87 Academic Rank</u> |
|-------------------------------------|------------------------|------------------------------|
| <u>College of Arts and Sciences</u> | | |
| Davis, Charles | Political Science | Associate Professor |
| Snoke, Arthur W. | Geology and Geophysics | Professor |

CHANGE IN ASSIGNMENT

The following change in assignment was approved as indicated.

School of Extended Studies

1. Keith A. Miller, Assistant Dean for the School of Extended Studies and Public Service and Resident Administrator of

the UW-Casper Academic Programs, be reassigned as Professor of Social Work, effective August 28, 1986.

CANCELLATION OF SABBATICAL LEAVE At the February 14, 1986 meeting of the Trustees, Arthur Birkby, Professor of Music, was granted a sabbatical leave for spring semester 1987. Professor Birkby requested that his sabbatical leave be cancelled. The Trustees approved Professor Birkby's request.

RETIREMENTS The following retirements were approved on the dates and under the conditions cited.

| <u>Name</u> | <u>Position</u> | <u>Date of Retirement</u> |
|--------------------|--------------------------------------|--|
| Allen, Russell | Associate Professor of Psychology | 1/13/87 with designation as <u>Emeritus</u> |
| Fritzler, Conrad | Area Foreman, University Apartments | 6/30/86 with designation as <u>Retired</u> |
| Hosey, Carolyn | Senior Admin. Secretary, Psychology | 06/30/86 with designation as <u>Retired</u> |
| Jochumsen, Edward | Professor of Business Administration | 06/30/86 with designation as <u>Emeritus</u> |
| Meyer, E. Gerald | Professor of Chemistry | 06/30/86 with designation as <u>Emeritus</u> |
| Nelms, George | Professor of Animal Science | 06/30/86 with designation as <u>Emeritus</u> |
| Padilla, Natividad | Building Supv., Housing | 06/30/86 with designation as <u>Retired</u> |

| | | |
|--------------------|---|--|
| Roepke, William J. | Professor of Journalism | 06/30/86 with designation as <u>Emeritus</u> |
| Roehrkasse, Glenn | Professor of Agricultural Economics | 06/30/86 with designation as <u>Emeritus</u> |
| Stahley, Gloria | Senior Admin. Secretary, President's Office | 06/30/86 with designation as <u>Retired</u> |
| Stodola, Dorothy | Associate Professor of Mathematics | 06/30/86 with designation as <u>Emeritus</u> |
| Walthall, W. J. | Professor of Psychology | 05/18/86 with designation as <u>Emeritus</u> |

DEFERRAL OF FY 1987 SALARY
ADMINISTRATION POLICY AND FY 1987
SALARY RATES FOR DONALD L. VEAL AND
ELDEN V. JACOBSON

It was moved by Mr. Hinckley
to defer the implementation
of the Salary Administration

Policy for FY 1987, and the 1987 salary increases for Donald L.
Veal and Elden V. Jacobson, until such time as the Budget
Division, Department of Administration and Fiscal Control releases
state general fund appropriations for general salary increases for
University employees, as well as other Wyoming State employees.
The motion was seconded by Mr. Rochelle, and it carried.

PART-TIME APPOINTMENTS

As a matter of information
only, the part-time

appointments were reported to the Trustees.

RESIGNATIONS

The following resignations
were acknowledged by the

Trustees.

1. Gary A. Cunningham, Director of Athletics, July 7, 1986.

2. Frederick H. Dark, Assistant Professor of Business Administration, May 18, 1986.
3. Susan Dickman, Assistant Professor of English, February 19, 1986.
4. Dennis Huston, Assistant Basketball Coach and Lecturer in Intercollegiate Athletics, May 19, 1986.
5. Peter Iverson, Chairman of the Department of History and Professor of History, August 1, 1986.
6. Kayleen Porkorney, Assistant Professor of Nursing, May 18, 1986.
7. Dan Richards, Women's Basketball Coach and Lecturer in Intercollegiate Athletics, May 2, 1986.

This concluded the report and recommendations from the Personnel Committee.

PHYSICAL PLANT AND
EQUIPMENT COMMITTEE

President Mickelson called on Chairman Hinckley for a report from the Physical Plant and Equipment Committee meeting held on June 25, 1986. Committee members Hinckley, Gillaspie, Rochelle, Schuster, Smith, and ex officio member Mickelson and Veal attended the committee meeting, along with other Trustees and University staff. Committee member Chapin was absent. Based on recommendations from the Physical Plant and Equipment Committee, the following action was taken by the full Board.

RIGHT-OF-WAY, UW STOCK FARM

Based on the Budget
Committee's recommendation,

Mr. Hinckley moved to grant a right-of-way to Williams Telecommunications Company of Tulsa, Oklahoma at a cost of \$2.00

per rod. The motion was seconded by Mr. Gillaspie, and it carried.

FY 1987-88 APPROPRIATIONS FOR
CAPITAL CONSTRUCTION

Mr. Hinckley moved to
approve the request to

the Budget Division, Department of Administration and Fiscal Control for a release of the \$2,250,000 appropriation contained in Chapter 36, Session Laws of Wyoming for Animal Science/Biochemistry equipment. The motion was seconded by Mr. Updike, and it carried.

COAL BIDS, CENTRAL ENERGY PLANT

The following information
on coal bids for the

Central Energy Plant was provided to the Trustees of the University of Wyoming as a matter of information only. Bid specifications permitted interested parties to bid on the Base Bid (biennial period July 1, 1986 through June 30, 1988) and/or the Alternate Bid (one year period July 1, 1986 through June 30, 1987). The specifications were written to allow the University to exercise options to renew the contract through June 30, 1990.

The five bids were:

| | <u>Base Bid</u> <u>\$ / ton</u> | <u>BTU/</u> <u>1¢</u> | <u>Alternate Bid</u> <u>\$ / ton</u> | <u>BTU/</u> <u>1¢</u> |
|--|------------------------------------|--------------------------|---|--------------------------|
| Amar, Inc. Wyoming Coal Seminole #2, Carbon Co. Wyoming Corp. | \$ 35.60 | 6083.7989 | \$ 35.80 | 6050.0000 |
| Flatiron Companies Colorado Coal Bourg Mine Colorado Corp. | \$ 32.50 | 5826.1934 | \$ 32.50 | 5826.1934 |

| | | | | |
|---|----------|-----------|----------|-----------|
| Rosebud Coal Sales | \$ 42.00 | 5215.2475 | \$ 42.00 | 5215.2475 |
| Wyoming Coal Rosebud Mine Wyoming Corp. | | | | |
| Russell Forgey Construction Co. | No Bid | --- | \$ 43.50 | 4983.9597 |
| Wyoming Coal Carbon County Coal Co. Wyoming Corp. | | | | |
| Wyodak Resources Development Corp. | \$ 31.64 | 4796.8692 | \$ 31.10 | 4879.7077 |
| Wyoming Coal Wyodak Resources South Dakota Corp. | | | | |

Since the successful bidder is determined by the BTU/l¢, a Contract has been awarded to Amar, Inc., Hanna, Wyoming for the biennial period July 1, 1986 through June 30, 1988, at a cost of \$35.60 per ton.

This concluded the report and recommendations from the Physical Plant and Equipment Committee.

W.R. COE/CHARLES CHACEY
KUEHN ESTATE COMMITTEE

President Mickelson called
on Chairman McCue for

a report from the W.R. Coe/Charles Chacey Kuehn Estate Committee meeting held on June 25, 1986. Committee members McCue, Rochelle, and ex officio members Mickelson and Veal attended the committee meeting, along with other Trustees and University staff.

Committee member Bussart was absent. Based on a recommendation from the W.R. Coe/Charles Chacey Kuehn Estate Committee, the following action was taken by the full Board.

REVISED STATEMENT OF INVESTMENT
POLICIES AND OBJECTIVES

Upon a motion by Mr. McCue
seconded by Mr. Miracle,

it carried to adopt the revised Master Statement of Investment

Policies and Objectives of W.R. Coe Estate, W.R. School and Charles Chacey Kuehn Estate funds, as amended by the W.R. Coe/Charles Chacey Kuehn Estate Committee. With such amendments the Revised Statement of Investment Policies and Objectives will read as follows:

MASTER STATEMENT OF INVESTMENT POLICIES AND OBJECTIVES OF
UNIVERSITY OF WYOMING ENDOWMENT FUNDS

Coe Estate Trust Fund
Coe School Trust Fund
Kuehn Estate Trust Fund

Introduction

The purpose of this Statement is to establish a clear understanding between the University of Wyoming Coe Estate, Coe School, and Kuehn Estate Trust Funds Committee (hereinafter referred to as the Committee(s)) and its Investment Manager(s) (hereinafter referred to as the Investment Manager) on investment policies and objectives of the funds in the Endowment. It is the policy and authority of the Committee to hire Investment Management Organizations. This Statement of Investment Policies and Objectives is set forth to state the view of the Committee for the purpose of assisting Investment Management Organizations for management of the funds. It is the further intent of this Statement to establish an attitude and philosophy which will guide the Investment Management Organizations toward desired investments and performance.

The Investment Manager should be guided by an investment philosophy and discipline which combine well-researched selection and liquidation of equity, fixed income and/or cash equivalent investment according to changing economic and stock market conditions.

The Coe-Kuehn Committee will approve all purchases and sales. In addition to initial review of proposed purchases; when the Coe-Kuehn Committee adjudges that corporate policies or practices cause substantial social injury, the Coe-Kuehn Committee, as responsible and ethical investors shall give independent weighting to the factor in the investment of the endowment portfolio.

Investment Return Expectations of the Managed Account(s)

Cash flow from portfolio dividend and interest payments will be used to provide the annual operating budget of each account.

Approximately January 1, 1987, there will be a withdrawal of \$1.2 million from the Kuehn Estate to provide for a Building Fund commitment. The Investment Manager is being advised of this action well in advance of this withdrawal.

The Committee desires to contribute 15% of total interest/dividend earnings back to each account to build principal.

Investment Managers should consider all cash flow expectations in effect until notified by the Committee through revision of this document. There are minimum expectations for total account performance, some of which may be more appropriate at different times and economic environments. The maximum expectations are to achieve returns that annually will equal or exceed the highest of one of the following three measurements. Recognizing that an annual measurement may be too short of a time frame, these returns are expected to be exceeded over successive three year time periods.

For the Total Account

- 1) Meet the income requirements set forth.
- 2) Provide principal growth exceeding the Consumer Price Index by 4%.
- 3) Provide a minimum total Rate of Return of 11% per year.
- 4) Maximize the growth of the account where and when appropriate.
- 5) The Investment Manager should be cognizant of the potential for inflation and the adverse impact it may have and manage the portfolio accordingly.

For the Equity Portion

- 1) Exceed the return of the S & P 500 plus an additional 15% per annum.
- 2) Provide minimum dividend income of 4%.
- 3) Exceed the return of the Consumer Price Index plus 6% annum and/or,
- 4) Maintain first quartile relative performance as compared to investment managers, banks, and insurance company equity funds.

For the Fixed-Income Portion

- 1) Exceed the return of the Shearson Lehman Government Corporate Bond Index or by 10% (whichever is greater).

2) Meet the income requirements on an annual basis.

Investment Policy

The Investment Managers will be responsible for management of the Endowments' assets in various securities at this time. The assets may be allocated to equities, fixed income, real estate, mortgages, CD's and/or cash equivalents.

Asset Allocation as it Pertains to the Total Fund

The asset allocation which follows, contains maximum percentages of total assets to be invested in certain asset classes. The Committee understands that actual asset allocations will be dictated by current and anticipated market conditions.

A. Asset Allocation

| | |
|---------------------|---|
| <u>Fixed Income</u> | <u>Maximum Percentage</u> Up to 100% of Total Endowment Assets |
|---------------------|---|

| | |
|-----------------|---|
| <u>Equities</u> | <u>Maximum Percentage</u> Up to 60% of Total Endowment Assets of the Coe School and Estate and up to 70% of the Total Endowment Assets of the Kuehn Estate |
|-----------------|---|

Investment Guidelines for Investment Managers

1. General Investment Guidelines for the Managed Account

The investment manager(s) may purchase equity investments, depending upon economic and market conditions, up to a total portfolio commitment of 60 percent of the total assets of the Coe School and Estate and 70 percent of the total assets of the Kuehn Estate. The general characteristics of equity selection will be for growth, income, liquidity, and safety of principal. Fixed income (bonds) investments generally should not exceed 90 percent of the total assets of the managed account(s), nor shall they be rated less than -A- by Moodys or Standard and Poors. The general characteristics of fixed income (bonds) investments shall be stability of income and stability of market value. Constant management of fixed income securities is essential to optimize total return. The percentage of the total assets of the managed account(s) invested in cash equivalents should vary considerably, depending on the prevailing economic and stock market conditions.

2. Investment Philosophy for the Managed Account(s)

The Investment Manager(s) have supplied a copy of their written investment philosophy for review by the Committee. Interim major deviations from the established investment

philosophy may be made by the Investment Manager(s) depending upon rapid changes in economic and investment market conditions; however, these major deviations shall be communicated in writing within 30 days to the Committee and will be discussed at the next scheduled meeting of the Committee.

3. Investment Decisions of the Managed Account

The Investment Manager(s) will be responsible for the making and the implementation of all investment decisions regarding the assets of the managed account(s). It is the opinion of the Committee that guidelines contained herein will not prevent the investment manager from attaining the stated objectives.

4. Preservation of Principal

The following guidelines must be integrated into each investment manager's philosophy.

- a) At the time when a security falls to a market value of 5% below the cost value, the situation should be carefully scrutinized.
- b) At the time when a security falls to a market value of 15% below the cost, the continued holding of that security should be justified to the Committee in a manner and with criteria similar to an acquisition.
- c) The Investment Manager must incorporate a contingency plan for the resurgence of inflation and adjust the portfolio accordingly.

5. Selling Procedure & Discipline

The Investment Management Organizations should implement selling action, when in their opinion liquidation of securities must be made because of new events or changes in the investment attractiveness or marketability of any investments. The Investment Management Organizations must follow their stated selling discipline as presented to the Committee.

Quarterly Review of the Investment Manager(s)

The Investment Manager(s) will send a quarterly account review within a reasonable period of time following each calendar quarter, to the Committee and the consultant. Annually, the Investment Manager(s) will meet in person with the Committee to review the following:

1. Review the book value, and market value of the investments in the managed account(s) and investment performance in relation to the stated indices and stated

objectives during the most recent quarter, and three-year period (or such shorter period as the Investment Manager has been engaged).

2. Review the investment philosophy pertaining to the managed account(s) and any suggested changes as well as any changes in discipline relating thereto. Also, review any deviations in philosophy or discipline which may have occurred during the preceeding period and the effect thereof.
3. Review past, present, and prospective economic and stock market conditions, the possible impact on investments in the managed account(s) and prospective sales and purchases of investments for the managed account(s).
4. Review any significant changes in management, research, personnel or ownership at the Investment Management Organization(s).
5. Review and discuss any other conditions or situations which might affect or improve the performance of the investments in the managed account(s).

This concluded the report and recommendations from the W.R. Coe/Charles Chacey Kuehn Estate Committee.

TRUSTEE SYMPOSIUM

Trustee Schuster inquired
as to the number of Trustees

planning to participate in the Trustee Symposium to be held in Jackson on August 3-6. Trustees McCue, Mickelson, Miracle, Sawyer, Smith, Hinckley, Schuster, Simons, and Jamieson indicated they were planning on attending. Trustees Gillaspie and Rochelle said they would be unable to attend. Trustee Miracle said the purpose of the Trustee Symposium was to bring together with the Trustees individuals involved in education at all levels with different philosophies to discuss philosophy of what a university is and what a university should be.

ADJOURNMENT AND DATE OF
NEXT MEETING

There being no further
business to come before

the Trustees, the meeting was adjourned at 4:20 p.m. The next meeting of the Trustees is scheduled for July 24-25, 1986.

Respectfully submitted,

Karleen B. Anderson

Karleen B. Anderson
Deputy Secretary