

FCR 5

Office of the President
April 27, 2010

Members, Board of Trustees:

FIT-UP 4TH AND 5TH FLOORS OF THE NEW PHARMACY BUILDING

Recommendation: that the Board of Trustees approve the initiation of the fit-up of the 4th and 5th floors of the new Pharmacy Building and authorize the President to submit non-state General Funds of \$12,476,839 for matching funds from the Research Capital Match Program. Council on Postsecondary Education guidelines require that the Board of Trustees acknowledge its responsibility for UK's participation in the program.

Background: Authorized by the 2008 Kentucky General Assembly, this project will fit-up approximately 84,000 gross square feet of shelled research lab space in the new Pharmacy Building. The new space will include wet-bench research labs, lab support spaces, and lab offices.

The project scope is not expected to exceed \$28 million. Anticipated fund sources include state matching funds from the Research Capital Match Program and an internal loan of up to \$15,500,000 to the Provost in accordance with the University's debt policy.

The 2008 Kentucky General Assembly authorized \$33,333,000 in General Fund supported bonds for the University through the Research Challenge Trust Fund. At its June 2009 meeting, the University of Kentucky Board of Trustees allocated approximately \$11.4 million of the available matching funds to the traditional Endowment Match Program; and \$21.9 million to a newly created Research Capital Match Program. To date, \$9,449,731 of the Research Capital Match Program funds have been matched, leaving \$12,476,839 available for use in the fit-up of the 4th and 5th floors of the new Pharmacy Building.

Action taken: Approved Disapproved Other _____