

MINUTES OF THE FINANCE COMMITTEE  
University of Kentucky Board of Trustees  
December 11, 2012, 11:00 AM  
18<sup>th</sup> Floor Patterson Office Tower, Board Room

Committee Members Present

James Stuckert, Chairperson, Jo Curris, Keith Gannon, Terry Mobley, and Frank Shoop

Approval of Minutes

The minutes of the October 14, 2012, Finance Committee meeting were approved as presented.

FCR 1 – Ball Realty LLC Gift and Pledge (Consent)

Jim Stuckert recommended acceptance by consent of a \$500,000 gift and a pledge of \$1.5 million from the Ball Realty LLC of Lexington, Kentucky to support the UK HealthCare Patient Care Facility Fund. This gift and pledge totaling \$2 million will be used to support the construction projects and related priorities of the new UK Albert B. Chandler Hospital at the discretion of the Executive Vice President for Health Affairs.

FCR 2 – Request to Rename the Commonwealth Professorship in Physician Leadership to the Richard W. Schwartz Commonwealth Professorship in Physician Leadership (Consent)

Jim Stuckert requested approval by consent to rename the Commonwealth Professorship in Physician Leadership to the Richard W. Schwartz Commonwealth Professorship in Physician Leadership in the College of Medicine. Dr. Schwartz was an internationally recognized leader in healthcare administration and leadership.

FCR 3 – Crutcher Family Foundation Pledge (Consent)

Jim Stuckert recommended acceptance by consent of a pledge of \$400,000 from the Crutcher Family Foundation of Midway, Kentucky to create and endow the Crutcher Family Scholarship in the Office of Academic Scholarships. This pledge from the Family Foundation continues the legacy established by Dr. Richard and Dorothy Crutcher and will fund Presidential Scholarships over the next five years.

FCR 4 – Gift from the National Christian Foundation Kentucky to Replace Unfulfilled Pledges to the Research Challenge Trust Fund (Consent)

Jim Stuckert recommended acceptance by consent of a gift of \$50,000 from the National Christian Foundation Kentucky of Lexington, Kentucky to add to the existing Braden-Clark Fellowship in Parkinson's Disease Research Fund in the College of Medicine to replace unfulfilled Research Challenge Trust Fund pledges. The Braden-Clark Fellowship has previously received \$105,300 in matching funds from the state's Endowment Match Program.

#### FCR 5 – Transfer of Multiple Gifts and State Endowment Match Funds Within the Center for Research on Violence Against Women (Consent)

Jim Stuckert recommended approval by consent to transfer \$106,922 of state matching funds and \$182,878 of gift funds from the Center for Research on Violence against Women Internal Endowment Fund to the Georgia Davis Powers Endowment Fund within the Center for Research on Violence Against Women. This transfer within the Center for Research on Violence Against Women will enable the Georgia Davis Powers Endowment to reach the \$1 million chair level.

#### FCR 6 – Gifts to the Dr. Robert D. Marciani Endowment Fund to Replace Unfulfilled Pledges to the Research Challenge Trust Fund (Consent)

Jim Stuckert recommended acceptance by consent of gifts totaling \$118,583 from multiple donors to add to the existing Dr. Robert D. Marciani Endowed Fund in Oral and Maxillofacial Surgery Department in the College of Dentistry to replace unfulfilled Research Challenge Trust Fund pledges. Many of Dr. Marciani's former students and colleagues have contributed to this endowment to honor Dr. Marciani's career in Oral and Maxillofacial Surgery. He was a former faculty member in the College of Dentistry and is currently chief of the division of Oral and Maxillofacial Surgery at University of Cincinnati.

#### FCR 7 – Approval of Fiscal Year 2011-12 Endowment Match Program Annual Report

Jim Stuckert recommended acceptance of the Fiscal Year 2011-12 Endowment Match Program Annual Report. The report is a separately bound document and available online at: <http://www.research.uky.edu/faculty/retf/index.html>. Jo Curris moved for approval. Terry Mobley seconded, and the motion for approval unanimously carried.

#### FCR 8 – Acceptance of Interim Financial Report for the University of Kentucky for the Three Months Ended September 30, 2012

Jim Stuckert recommended acceptance of the consolidated financial report for the three months ended September 30, 2012. Year to date, the University has recognized \$733,963,763 of current funds revenue representing 28 percent of the 2012-13 approved budget of \$2,618,377,700. Expenses and transfers total \$641,020,877 or 24 percent of the approved budget. Bill Britton asked Tim Tracy for an update on the financial model in which Dr. Tracy responded that the model was on track for running a parallel year with the current budget process for fiscal year 2013-14. Frank Shoop moved for approval. Keith Gannon seconded, and the motion for approval unanimously carried.

#### FCR 9 – 2012-13 Budget Revisions

Angie Martin, Vice President for Financial Planning and Treasurer, recommended that the Board of Trustees authorize and approve revisions to the 2012-13 budget. The revisions will increase the University of Kentucky's total budget by \$20,091,300 – from \$2,618,377,700 to \$2,638,469,000. Jo Curris moved for approval. Bill Gatton seconded, and the motion for approval unanimously carried.

#### FCR 10 – Renovate Robotics Building

Jim Stuckert recommended approval of the initiation of the Renovate Robotics Building capital project. The legislative authorized scope and current project is \$3.8 million. The current total available funding is only \$1.8 million. The University intends to prioritize the improvements and install all the utilities in

this first phase thereby enabling future improvements as additional funds become available. Frank Shoop moved for approval. Terry Mobley seconded, and the motion for approval unanimously carried.

FCR 11 – Repair/Upgrade/Expand Central Plants (Replace Cooling Tower at Medical Center Cooling Plant)

Jim Stuckert recommended approval for the Repair/Upgrade/Expand of the Cooling Tower at the Medical Center cooling plant. The project has an estimated scope of \$870,000, and will be funded with General Funds. Keith Gannon moved for approval. Terry Mobley seconded, and the motion for approval unanimously carried.

FCR 12 – Repair/Upgrade/Improve Mechanical Infrastructure (Steam Line-Farm Road)

Jim Stuckert recommended approval for the initiation of the repair/upgrade/improve mechanical infrastructure. The Farm Road steam line delivers steams from the campus steam plants to several campus buildings. The scope of the legislative authorized project is \$835,000, and will be funded with General Funds. Jo Curris moved for approval. Frank Shoop seconded, and the motion for approval unanimously carried.

FCR 13 – Approval of Deed of Conveyance to the Commonwealth of Kentucky, Transportation Cabinet, Department of Highways for Construction of Bridge (County Road 1387) in Breathitt County

Jim Stuckert recommended approval for the Vice President for Financial Operations and Treasurer to negotiate and execute a Deed of Conveyance between the University, the Transportation Cabinet, and Department of Highways for a portion of the University of Kentucky Farm in Breathitt County, Kentucky, which consists of approximately 1.249 acres to construct a bridge.. The property is surplus to the needs of the University and this proposed conveyance is in the best interest of the Commonwealth. Bill Gatton moved for approved. Keith Gannon seconded, and the motion for approval unanimously carried.

FCR 14 – Capital Construction Report

Bob Wiseman, Vice President for Facilities Management, reported that during the quarter ending September 30, 2012, there were five new contracts; five change orders; one design amendment; and five contracts were completed. Keith Gannon moved for approval. Terry Mobley seconded, and the motion for approval unanimously carried.

FCR 15 – Patent Assignment

Jim Tracy, Vice President for Research, presented the quarterly patent report for the period of July 1 through September 30, 2012, which included three applications submitted, seven patents issued, and patent receipts totaled \$3,546,435. Frank Shoop moved for approval. Bill Gatton seconded, and the motion for approval unanimously carried.

Respectfully submitted,

*Barbara Royalty-Tatum*

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