

Minutes of the Finance Committee Meeting
University of Kentucky Board of Trustees
April 28, 2023

The Finance Committee of the University of Kentucky Board of Trustees met on Friday, April 28, 2023, in the Gatton Student Center Harris Ballroom.

A. Meeting Opened

Chair Kimberly McCann called the meeting to order at 10:56 a.m. Chair McCann asked Ms. Brenda Heeter, secretary to the Finance Committee, to call the roll.

B. Roll Call

The following members of the Finance Committee were present: Todd Case, Andrew Laws, Lance Lucas, Kimberly McCann, Derrick Ramsey and Frank Shoop. Ms. Heeter announced that a quorum was present.

C. Approval of Minutes

Chair McCann asked if there were any corrections to the minutes from February 17, 2023, which were distributed. Trustee Ramsey made a motion to approve the minutes. Trustee Case seconded the motion. The motion carried without dissent.

D. EVPFA Report

Eric Monday, executive vice president for finance and administration, presented the EVPFA report and shared three numbers related to a healthier, wealthier and wiser Kentucky. Dr. Monday stated that our north star is to advance Kentucky in everything that we do. He explained that \$2.4 billion represented the actions of the UK HealthCare mini retreat and the FCRs for capital projects presented earlier today for a healthier Kentucky. \$1 billion represented the potential accumulated savings by our employees from recommended changes to our mandatory retirement program for a wealthier Kentucky. Lastly, he said \$43 million represented a wiser Kentucky as during this and the prior meeting, the Finance Committee would have considered FCRs totaling \$43 million of philanthropic gifts and grants including funds from the state's Research Challenge Trust Fund Endowment Match Program.

E. Business Items:

FCR 1 Grant Commitment from the Lighthouse Beacon Foundation and the Commonwealth of Kentucky Research Challenge Trust Fund and Endowment Match Program

FCR 1 seeks acceptance of a charitable grant commitment of \$23,250,000 from the Lighthouse Beacon Foundation of Wilmington, Delaware (the "Donor") to support the University of Kentucky College of Engineering and submit \$7,916,667 of this grant

commitment for matching funds from the Commonwealth of Kentucky Research Challenge Trust Fund (“RCTF”) and Endowment Match Program. Further, pursuant to guidelines approved by the Council on Postsecondary Education, the FCR recommends that the Board of Trustees acknowledges its responsibility for UK’s participation in and implementation of the RCTF program and for providing oversight of all university endowment funds.

The Lighthouse Beacon Foundation was created by Karen Congdon Pigman and L. Stanley Pigman in 2021. The Donor is making this grant commitment to advance the excellence and prominence of the College of Engineering. The Donor’s grant commitment includes endowing the “Stanley and Karen Pigman Heritage Science Professorship” and “Lighthouse Beacon Foundation Endowment for Research and Graduate Education” which are eligible to receive RCTF matching funds. In recognition of the significance of the grant commitment, and with the consent of the Office of the Vice President for Research, the RCTF eligible portions of the grant commitment will be submitted for matching funds at a grant commitment to matching funds ratio of 2:1.

Trustee Case made a motion to accept FCR 1. Trustee Shoop seconded the motion. The motion carried without dissent.

FCR 2 The Mt. Brilliant Family Foundation Grant Commitment and Commonwealth of Kentucky Research Challenge Trust Fund and Endowment Match Program

FCR 2 seeks acceptance of a charitable grant commitment of \$2,000,000 from the Mt. Brilliant Family Foundation of Lexington, Kentucky (the “Donor”) to create and endow a research chair fund to support the University of Kentucky College of Medicine and submit this grant commitment for matching funds from the Commonwealth of Kentucky Research Challenge Trust Fund (“RCTF”) and Endowment Match Program. Further, pursuant to guidelines approved by the Council on Postsecondary Education, the FCR recommends that the Board of Trustees acknowledges its responsibility for UK’s participation in and implementation of the RCTF program and for providing oversight of all university endowment funds.

The Donor has generously made a grant commitment of \$2,000,000 to endow a chair fund named the “Goodman Family Chair in Pediatric Forensic Medicine Research” for the College of Medicine, Department of Pediatrics, Division of Pediatric Forensic Medicine. This grant is eligible to receive RCTF matching funds.

Trustee Lucas made a motion to accept FCR 2. Trustee Ramsey seconded the motion. The motion carried without dissent.

FCR 3 Timothy and Anna Cambron Gift Commitment and the Commonwealth of Kentucky Research Challenge Trust Fund and Endowment Match Program

FCR 3 seeks acceptance of a gift commitment of \$1,060,000 from Timothy Cambron and Anna Cambron of Versailles, Kentucky (the “Donors”) to support an endowed distinguished professorship fund for the University of Kentucky College of Medicine and submit the qualifying portions of this gift for matching funds from the

Commonwealth of Kentucky Research Challenge Trust (“RCTF”) and Endowment Match Program. Further, pursuant to guidelines approved by the Council on Postsecondary Education, the FCR recommends that the Board of Trustees acknowledges its responsibility for UK’s participation in and implementation of the RCTF program and for providing oversight of all university endowment funds.

The Donors have generously made a gift commitment of \$1,060,000 to support an endowed distinguished professorship fund named the “Cambron Family Distinguished Research Professorship in Adolescent Mental Health Endowment” and a companion non-endowed fund named the “Cambron Family Distinguished Research Professorship in Adolescent Mental Health Fund” for the College of Medicine, Department of Psychiatry. The gift commitment to the endowed distinguished professorship fund totaling \$1,000,000 (the “RCTF Gift”) is eligible to receive RCTF matching funds.

Trustee Shoop made a motion to accept FCR 3. Trustee Ramsey seconded the motion. The motion carried without dissent.

FCR 4 Charitable Grant and Gift Commitments to the Stanley and Karen Pigman Heritage Science Professorship Fund and the Commonwealth of Kentucky Research Challenge Trust Fund and Endowment Match Program

FCR 4 seeks acceptance of charitable grant and gift commitments (the “Gift”) totaling \$567,000 from The Koivu Fund and Virginia Hill (the “Donors”) to support an endowed professorship fund in the University of Kentucky College of Engineering and submit this Gift for matching funds from the Commonwealth of Kentucky Research Challenge Trust Fund (“RCTF”) and Endowment Match Program. Further, pursuant to guidelines approved by the Council on Postsecondary Education, the FCR recommends that the Board of Trustees acknowledges its responsibility for UK’s participation in and implementation of the RCTF program and for providing oversight of all university endowment funds.

The Donors have generously made grant and gift commitments totaling \$567,000 to support the endowed professorship fund named the “Stanley and Karen Pigman Heritage Science Professorship” in the College of Engineering. This Gift is eligible to receive RCTF matching funds.

Trustee Case made a motion to accept FCR 18. Trustee Lucas seconded the motion. The motion carried without dissent.

FCR 5 William and Donna Shively Gift Commitment and the Commonwealth of Kentucky Research Challenge Trust Fund and Endowment Match Program

FCR 5 seeks acceptance of a gift commitment of \$500,000 from William and Donna Shively of Lexington, Kentucky (the “Donors”) to create and endow a research professorship for the University of Kentucky College of Medicine and submit this gift for matching funds from the Commonwealth of Kentucky Research Challenge Trust Fund (“RCTF”) and Endowment Match Program. Further, pursuant to guidelines approved by the Council on Postsecondary Education, the FCR recommends that the Board of

Trustees acknowledges its responsibility for UK's participation in and implementation of the RCTF program and for providing oversight of all university endowment funds.

The Donors have generously made a gift commitment of \$500,000 to endow a research professorship fund named the "Bill and Donna Shively Endowed Pediatric Research Professorship" in the College of Medicine, Department of Pediatrics. This gift commitment is eligible to receive RCTF matching funds.

Trustee Lucas made a motion to accept FCR 5. Trustee Shoop seconded the motion. The motion carried without dissent.

FCR 6 The Aetna Better Health of Kentucky, ASC Grant Commitment and the Commonwealth of Kentucky Research Challenge Trust Fund and Endowment Match Program

FCR 6 seeks acceptance of a charitable grant commitment of \$100,000 from the Aetna Better Health of Kentucky, ASC of Louisville, Kentucky (the "Donor") to create and endow a program support fund in the UK Center for Health Equity Transformation ("CHET") and submit this grant commitment for matching funds from the Commonwealth of Kentucky Research Challenge Trust Fund ("RCTF") and Endowment Match Program. Further, pursuant to guidelines approved by the Council on Postsecondary Education, the FCR recommends that the Board of Trustees acknowledges its responsibility for UK's participation in and implementation of the RCTF program and for providing oversight of all university endowment funds.

The Donor has generously made a grant commitment of \$100,000 to endow a program support fund named the "CHET Training Program Support Endowed Fund" for the UK CHET. This grant commitment is eligible to receive RCTF matching funds.

Trustee Lucas made a motion to accept FCR 6. Trustee Case seconded the motion. The motion carried without dissent.

FCR 7 Allan and Ginger Brown Grant and Grant Commitment and the Commonwealth of Kentucky Research Challenge Trust Fund and Endowment Match Program

FCR 7 seeks acceptance of a charitable grant and grant commitment (the "Grant") totaling \$145,000 from Allan and Ginger Brown of Plano, Texas (the "Donors") to support an endowed faculty excellence fund for the University of Kentucky College of Engineering and submit this grant and grant commitment for matching funds from the Commonwealth of Kentucky Research Challenge Trust ("RCTF") and Endowment Match Program. Further, pursuant to guidelines approved by the Council on Postsecondary Education, the FCR recommends that the Board of Trustees acknowledges its responsibility for UK's participation in and implementation of the RCTF program and for providing oversight of all university endowment funds.

The Donors have generously made a grant of \$30,000 and a grant commitment of \$115,000 to support an endowed faculty excellence fund named the "Allan and Ginger

Brown Aerospace Faculty Excellence Fund” for the College of Engineering, Department of Mechanical and Aerospace Engineering. The grant and grant commitment (the “Grant”) are eligible to receive RCTF matching funds.

Trustee Ramsey made a motion to accept FCR 7. Trustee Shoop seconded the motion. The motion carried without dissent.

FCR 8 Amendment to the Sally Humphrey Research Professorship in Cancer Health Equity and the Commonwealth of Kentucky Research Challenge Trust Fund and Endowment Match Program

FCR 8 seeks approval of an amendment to the name and purpose of the “Symptom Management & Palliative Care Professorship” for the University of Kentucky College of Medicine and recommends that the Board acknowledges its responsibility for UK’s participation in and implementation of the Commonwealth of Kentucky Research Challenge Trust Fund (“RCTF”) and Endowment Match Program and for providing oversight of all university endowment funds.

In April 2004, the director of the Lucille P. Markey Cancer Center entered into an Internal Endowment Agreement to establish the “Symptom Management & Palliative Care Professorship” for the College of Medicine. In September 2020, the fund was renamed the “Research Professorship in Cancer Health Equity” and the purpose expanded to address healthcare and cancer care disparities. In May 2022, the fund name was changed to the “Sally Humphrey Research Professorship in Cancer Health Equity.” The current contributions to this fund exceed \$550,000 which includes \$120,875 from the RCTF. To date, the fund has provided over \$178,000 of support for faculty in the College of Medicine.

As the healthcare environment constantly evolves, the Markey Cancer Center (MCC) wishes to elevate the fund to a distinguished professorship which will enable the MCC to recruit, grow and retain talented faculty to address the urgent and emergent need of equity in cancer care and healthcare disparity among populations in the Commonwealth of Kentucky. The Amended and Restated Endowment Agreement addresses this new purpose and will change the name of the fund to the “Sally Humphrey Distinguished Professorship in Cancer Health Equity” once the endowment threshold of \$1,000,000 is met.

Trustee Laws made a motion to accept FCR 8. Trustee Lucas seconded the motion. The motion carried without dissent.

FCR 9 The University of Kentucky Markey Cancer Foundation Grant Commitment and the Commonwealth of Kentucky Research Challenge Trust Fund and Endowment Match Program

FCR 9 seeks acceptance of a charitable grant commitment of \$200,000 from the University of Kentucky Markey Cancer Foundation (the “Donor”) to support an endowed fund in the University of Kentucky Markey Cancer Center and submit this grant commitment for matching funds from the Commonwealth of Kentucky Research

Challenge Trust Fund (“RCTF”) and Endowment Match Program. Further, pursuant to guidelines approved by the Council on Postsecondary Education, the FCR recommends that the Board of Trustees acknowledges its responsibility for UK’s participation in and implementation of the RCTF program and for providing oversight of all university endowment funds.

The Donor has generously made a grant commitment of \$200,000 to support the endowed distinguished professorship fund named the “Sally Humphrey Distinguished Professorship in Cancer Health Equity,” formerly named the “Symptom Management & Palliative Care Professorship,” for the College of Medicine. This grant commitment is eligible to receive RCTF matching funds.

Trustee Case made a motion to accept FCR 9. Trustee Shoop seconded the motion. The motion carried without dissent.

FCR 10 Acceptance of Gift from Mitch Potter in Support of the J. David Rosenberg College of Law

FCR 10 seeks acceptance of a gift commitment totaling \$1,250,000 (the “Gift”) from Mitch Potter to support the J. David Rosenberg College of Law (“the College”).

This gift was given in loving memory of J. Mitchell Potter II by his father, J. Mitchell “Mitch” Potter. “Mitchell always wanted to become a lawyer,” said Mr. Potter. This gift ensures Mitchell’s legacy continues in the J. David Rosenberg College of Law through the naming of a classroom and by helping future law students complete their law degree.

The Gift will be used to establish and support a new endowed graduate fellowship fund named the “J. Mitchell Potter II Fellowship” (\$970,000) and a related, non-endowed fund named the “J. Mitchell Potter II Fellowship Gift Fund” (\$30,000) to provide immediate funding for the fellowship(s). The remainder of the Gift (\$250,000) will be used to support the existing non-endowed fund named the “College of Law Building Fund.”

Trustee Case made a motion to accept FCR 10. Trustee Lucas seconded the motion. The motion carried without dissent.

FCR 11 Acceptance of Gift from John S. Cain and Carla D. Cain in Support of the Gatton College of Business and Economics, the University of Kentucky Alumni Association and The College of Education

FCR 11 seeks acceptance of a gift of \$1,011,340.39 from John S. and Carla D. Cain of Ryland Heights, Kentucky, to support the Gatton College of Business and Economics, the University of Kentucky Alumni Association and the College of Education.

The university shall use \$950,000 of the \$1,011,340.39 gift to establish one or more endowed professorship(s) in the Gatton College of Business and Economics for professors who have research and teaching interests linked to the fields of Supply Chain, Entrepreneurship or Finance. The university shall use \$50,000 to establish a non-endowed fund to support the UK Alumni Association. The remainder of the gift shall be

directed to the existing non-endowed College of Education Dean's Academic Excellence Fund in the College of Education.

Trustee Laws made a motion to accept FCR 11. Trustee Lucas seconded the motion. The motion carried without dissent.

FCR 12 Improve UK HealthCare Facilities – UK Chandler Hospital (Various Projects) Capital Project

FCR 12 seeks approval of the initiation of the Improve UK HealthCare Facilities – UK Chandler Hospital (Various Projects) capital project. This recommendation contains four capital projects for the Albert B. Chandler Hospital:

1. Renovate approximately 34,000 gross square feet of active clinical space on the third floor of Pavilion HA in the Mother Baby and Labor and Delivery Units. This project also includes the relocation of the OB post-partum rooms to another patient floor within the Chandler facility and all associated work to ensure the space is appropriate for mother-baby patient population.

2. Establish space for advanced endoscopy services on the first floor of Pavilion A in the Interventional Services Suite.

3. Create an observation unit in space adjacent to the existing Pavilion A Emergency Department (ED).

4. Complete the operating room expansion project using 15,000 square feet of shelled space adjacent to the existing operating rooms and pre-op/post-op rooms on the second floor of Pavilion A.

Trustee Shoop made a motion to accept FCR 12. Trustee Ramsey seconded the motion. The motion carried without dissent.

FCR 13 Construct/Improve Medical/Administrative Facility 1 UKHC (Medical Office Building – Design Phase) Capital Project

FCR 13 seeks approval of the initiation of the Construct/Improve Medical/Administrative Facility 1 UKHC (Medical Office Building – Design Phase) capital project. UK HealthCare (UKHC) identified a location in the Hamburg area of Lexington to expand its facilities. The Board approved the acquisition of the total acreage for this location at its June 17, 2022, and February 17, 2023, meetings. This project will initiate the design phase of a medical office building. This comprehensive outpatient medical center will be the first phase of a potential multi-phased project at this new campus. Additional Board approval will be required to initiate the construction phase.

Trustee Case made a motion to accept FCR 12. Trustee Ramsey seconded the motion. The motion carried without dissent.

FCR 14 Construct/Improve Medical/Administrative Facility 3 (Expand Patient Care Facility – Design Phase) Capital Project

FCR 14 seeks approval of the initiation of the Construct/Improve Medical/Administrative Facility 3 (Expand Patient Care Facility – Design Phase) capital project. Since opening the first three patient care floors in the UK Albert B. Chandler Pavilion A in May 2011, UK HealthCare (UKHC) has experienced strong consistent inpatient admissions growth. The fit out of the last shelled patient floor in Pavilion A will be completed later this calendar year and UKHC expects these beds to be fully utilized as soon as the space is open. This consistent growth in our patient population has led to the commencement of planning activities for an expansion of the Chandler campus to ensure the needs of UK's current and future patients are met.

This project will initiate the design phase of an expansion of the patient care facility to accommodate additional inpatient beds and clinical support services at the Chandler campus. General services targeted for this location include but are not limited to, adult and pediatric inpatient rooms, observation spaces, operating rooms, minor procedures, diagnostic services, imaging services, pharmacy, retail, lab, administration, support and meeting spaces. Additional Board approval will be required to initiate the construction phase.

Trustee Shoop made a motion to accept FCR 14. Trustee Ramsey seconded the motion. The motion carried without dissent.

FCR 15 Authorization of Lease Amendment for UK HealthCare Specialty Pharmacy Services

FCR 15 seeks to authorize the Executive Vice President for Finance and Administration to negotiate and execute a building lease amendment between the University of Kentucky and Wellington Properties III, LLC at 531 Wellington Way in Lexington, Kentucky, to be used by UK HealthCare Specialty Pharmacy Services.

At its June 21, 2019 meeting, the Board approved a building lease for UK HealthCare (UKHC) Specialty Pharmacy Services at 531 Wellington Way. The approved lease was not to exceed 31,000 square feet of space and the annual cost was not to exceed \$1,150,000. In June 2022, 4,507 square feet were added to accommodate a call center. The lease amendment will include the additional square footage and the necessary improvements to the mechanical system. The amended lease will be for 35,219 square feet and a total annual rent not to exceed \$1,360,000.

Trustee Lucas made a motion to accept FCR 15. Trustee Ramsey seconded the motion. The motion carried without dissent.

FCR 16 Approval of Lease

FCR 16 seeks to authorize the Executive Vice President for Finance and Administration to negotiate and execute a lease for office space for UK HealthCare (UKHC). UKHC will lease space from the Kentucky Medical Services Foundation (KMSF)

located at 2301, 2317, 2325 and 2333 Alumni Park Drive, and 2347 Sterlington Road, Lexington, Kentucky.

The leased space will comprise 101,264 square feet in three adjacent buildings with an annual rent not to exceed \$2,744,254.40 per year to be funded with agency funds. This location is located close to an interchange for New Circle Road, and it provides easy access (parking, entryway and accessibility) and close proximity to the Chandler campus.

Trustee Shoop made a motion to accept FCR 18. Trustee Lucas seconded the motion. The motion carried without dissent.

FCR 17 Emergency Replacement of Air Handling Unit Coils Capital Project

FCR 17 seeks approval to initiate the Emergency Replacement of Air Handling Unit Coils capital project.

On the evening of December 23, 2022, a combination of severely cold temperatures and power outages created conditions that led to the freezing and rupture of cooling and heating coils within 31 air handlers in several buildings. The impacted buildings included the Peter P. Bosomworth Health Sciences Research Building (ten air handlers); Dorothy Enslow Combs Cancer Research Building (four air handlers); William R. Willard Medical Education Building (eight air handlers); Dental Science Building (one air handler); Chandler Medical Center and Hospital (four air handlers); Patient Care Facility – Pavilion A (two air handlers); and Good Samaritan Hospital (two air handlers). This project will replace the broken coils with new, freeze-proof coils in all the air handling units.

Trustee Shoop made a motion to accept FCR 17. Trustee Lucas seconded the motion. The motion carried without dissent.

FCR 18 Proposed Revision to Administrative Regulation: University of Kentucky Retirement Plan

FCR 18 seeks approval for changing the Retirement Plan Participation Requirements in Administrative Regulation (AR) 3:1 so that participation in the University of Kentucky's Retirement Plan will become mandatory for new employees aged 25-29 effective July 1, 2023, and for new employees under age 25 effective July 1, 2024. This is a change from the current participation requirements that participation is optional until attaining age 30, then mandatory upon attainment of age 30.

Studies show people are not saving enough for retirement and we are committed to assisting personal financial wellbeing. The proposed change will enhance and improve retirement outcomes by having employees save more and sooner. Currently, participation in the Retirement Plan is optional for eligible employees under the age of 30 years old. Most eligible employees under age 30 have chosen to participate voluntarily (an irrevocable decision) in the matching plan. Current eligible employees who are under age 30 and have not yet chosen to participate will not be required to participate until age 30, but the university will continue to encourage them to participate.

Trustee Shoop made a motion to accept FCR 18. Trustee Lucas seconded the motion. The motion carried without dissent.

FCR 19 Lease/Purchase of Equipment for the Smart Campus Initiative

FCR 19 seeks approval of the lease/purchase of equipment for the continuation of the Smart Campus iPad Initiative. The fifth phase of the iPad initiative and Apple partnership will continue to level the technological playing field for all students; enhance pedagogy and innovative learning; and help build skills that set our students up for future success. For the fifth phase, the university will lease/purchase approximately 7,000 iPad kits (iPad Air, pencil and keyboard) to be distributed to freshmen and faculty at an estimated cost not to exceed \$1,800,000 per year.

Trustee Case made a motion to accept FCR 19. Trustee Ramsey seconded the motion. The motion carried without dissent.

FCR 20 Acceptance of Interim Financial Report

FCR 20 seeks acceptance of the University of Kentucky consolidated financial report for the six months ended December 31, 2022. As reflected in the report, the university has recognized \$3,301,521,399 of current funds revenue representing 53 percent of the Fiscal Year 2022-23 approved budget of \$6,235,464,400. Expenses and transfers total \$2,552,986,282 or 41 percent of the approved budget.

Trustee Case made a motion to accept FCR 20. Trustee Shoop seconded the motion. The motion carried without dissent.

FCR 21 Approval of Disposal (Oran Little Research Center – Tobacco Barn 3)

FCR 21 seeks the Board to declare that the Tobacco Barn 3, UK building number 3788, located on Oran Little Research Center at 1171 Midway Road, Versailles, Kentucky surplus to the needs of the university and authorize the Executive Vice President for Finance and Administration to dispose of the structure and remove the property using the method that produces the highest price.

Tobacco Barn 3, UK building number 3788, is part of the original land acquisition by the university. The structure is suffering from storm damage and structural rot. Additionally, the barn is obsolete relative to current farm operations. As Tobacco Barn 3, UK building number 3788, is not needed by the university, this property is now surplus to the needs of the university and the proposed sale and removal is in the best interest of the university and the Commonwealth. It is recommended that the Board of Trustees allow the use of alternative methods to sell the real property to achieve the highest price possible.

Trustee Shoop made a motion to accept FCR 21. Trustee Lucas seconded the motion. The motion carried without dissent.

FCR 22 Facilities Renewal and Modernization (Scovell Hall - Design Phase) Capital Project

FCR 22 seeks Board approval to initiate the Facilities Renewal and Modernization (Scovell Hall - Design Phase) capital project and for the Board to declare its official intent to reimburse capital expenditures from a future debt obligation for the capital project.

The Facilities Renewal and Modernization capital project is a multi-phase effort to renew and modernize buildings that make up the core of the central campus as well as buildings south of the central campus associated with the College of Agriculture, Food and the Environment (CAFE). This project will initiate the design phase to improve, expand and revitalize Scovell Hall and return it to CAFE to reorganize their departments' physical locations.

Trustee Laws made a motion to accept FCR 22. Trustee Shoop seconded the motion. The motion carried without dissent.

FCR 23 Improve Seaton Center (Life Safety Upgrades) Capital Project

FCR 23 seeks approval to initiate the Improve Seaton Center (Life Safety Upgrades) capital project. The Seaton Center is a multi-use facility that is shared among the departments of Kinesiology and Health Promotion, UK Health and Wellness and UK Campus Recreation. This project will design and install a fire suppression sprinkler system to include all piping, valves and flow/tamper switches per Kentucky Building Code requirements.

Trustee Lucas made a motion to accept FCR 23. Trustee Ramsey seconded the motion. The motion carried without dissent.

FCR 24 Capital Construction Report

FCR 24 seeks acceptance of the capital construction report for the three months ending March 31, 2023. Mary Vosevich, vice president for facilities management and chief facilities officer, provided information related to the capital construction report for the first quarter of the calendar year. Ms. Vosevich shared that for this quarter there were 15 new contracts, four contracts were completed, one contract amendment.

Trustee Shoop made a motion to accept FCR 24. Trustee Lucas seconded the motion. The motion carried without dissent.

F. Research Report

Dr. Lisa Cassis, vice president for research, provided a report on how the research enterprise is Taking Care of Our People. As part of a comprehensive orientation program, researchers are provided opportunities for training including how to access information, policy and research practices, services provided by support offices, and other research-relevant resources. In addition, online resources include webinars and virtual meetings related to research support, policy and requirements.

The Research Leadership Academy provides research leadership development for the submission of complex programmatic grants and in facilitating emerging areas of research. Dr Cassis highlighted eight talented faculty who will graduate from this program this spring that are passionate about facilitating research in their domain.

Project GATeWAY (Grants Administration Transformation as the Way Forward) is an ambitious transformation project that will position UK for continued and expanded growth of external grants and contracts. The process of handling a grant from cradle to grave must be efficient, compliant and seamless. In partnership with external consultants three transformational opportunities have been identified - structure, collaborative shared services, and technology.

Trustee Cramer asked Dr. Cassis about addressing accountability at the central level. Dr. Cassis responded that service level agreements are being developed and the associate deans for research are being added to the reporting structure. Dr. Cassis added that efforts are being made to standardize processes while preserving relationships.

G. Philanthropy Report

Tom Harris, acting vice president for philanthropy and alumni engagement, provided an update on staff reorganization, One Day for UK, and the Research Challenge Trust Fund (RCTF). Mr. Harris shared that emphasis had been placed on being fully staffed when the new vice president arrived. However, the new vice president would have the flexibility to develop key leadership of his staff. In addition, Mr. Harris said that 30 philanthropic related positions from UK HealthCare were moved to the Office of Philanthropy to create one team for UK.

Mr. Harris continued with a reminder that One Day for UK, a giving campaign intended to engage new donors, occurred last week. Gifts totaling \$1.3 million were raised from 2,600 donors.

Additionally, Mr. Harris shared that the Kentucky General Assembly appropriated \$20 million to UK as part of the Endowment Match Program for the RCTF. To increase the leverage of the program, it was decided that UK will require a 2 to 1 match - \$2 of private funds for each \$1 of RCTF funds. As a result, UK will turn the \$20 million of state funds into \$60 million. The University of Kentucky goal is to fully match the state funds this year.

Finally, Mr. Harris shared that The Kentucky Can campaign stands at \$1.92 million of the \$2.1 billion goal. The \$1.92 billion came from 159,039 donors which represented a broad spectrum of support.

H. Other Business

Chair McCann asked if there was any other business to come before the Finance Committee.

I. Adjourn

Hearing no further business, the meeting was adjourned at 11:57am.

Respectfully submitted,

Brenda Heeter
Finance Committee Secretary