

# FCR 1

Office of the President  
June 11, 2013

Members, Board of Trustees:

## THE BILL GATTON FOUNDATION GIFT AND PLEDGE

Recommendation: that the Board of Trustees accept a pledge of \$8,000,000 from The Bill Gatton Foundation of Bristol, Tennessee, toward the construction of a new Gatton College of Business and Economics building, of which \$1,900,000 has been prepaid. This pledge was made October 25, 2003, in the original amount of \$2,500,000. The amount of the pledge was increased to \$3,000,000 in April 2006, and again in April 2007 to \$8,000,000. Two million dollars (2,000,000) is to be paid the year construction commences and \$1,000,000 each year thereafter, except for a payment of \$2,000,000 in the year the new facilities are occupied.

Background: The Bill Gatton Foundation was created in 1985 by C. M. "Bill" Gatton of Bristol, Tennessee, and Gatton College's major benefactor for whom the college is named. Mr. Gatton earned his bachelor's degree from the University of Kentucky in 1954, and master's degree in business administration from Wharton Graduate School at the University of Pennsylvania. He is a current member of the Board of Trustees and a member of the UK Hall of Distinguished Alumni and the Gatton College Hall of Fame. Mr. Gatton is the owner of a family of automobile dealerships and has real estate and bank holdings in Kentucky, Tennessee and Texas.

Although the total gift and pledge of \$8 million was initially intended to go toward the construction of a new Gatton College of Business and Economics building, it will be used for a \$65 million redesign and expansion of the existing facilities. The expansion will allow for enrollment growth of more than 50 percent and faculty/staff growth to handle the additional students.

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