

# FCR 8

Office of the President  
September 11, 2007

Members, Board of Trustees:

## LEASE/PURCHASE OF EQUIPMENT AND INFORMATION TECHNOLOGY ITEMS

Recommendation: that the Board of Trustees delegate to the executive vice president for finance and administration the responsibility for managing university debt related to the lease/purchase of equipment and information technology items costing less than \$200,000.

Background: At its September 2005 meeting, the Board of Trustees adopted the University of Kentucky's Debt Policy. According to that policy, debt in the form of capitalized lease obligations shall be approved by the Board. Delegation of the management of debt obligations related to equipment and information technology items costing less than \$200,000 to the executive vice president for finance and administration will allow the university to make decisions about such items in an efficient and timely manner. The university's Debt Committee will assess the impact of these purchases on the university's debt capacity.

Acquisitions of major equipment and information technology items costing \$200,000 or more where the method of procurement involves debt in the form of capitalized lease obligations will be submitted to the Board for approval.

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