

Minutes of the Meeting of the Board of Trustees
University of Kentucky
Friday, October 21, 2022

The Board of Trustees of the University of Kentucky met on Friday, October 21, 2022, in the Gatton Student Center, Harris Ballroom.

I. Call to Order

Bob Vance, chair of the Board of Trustees, called the meeting to order at 9:30 a.m. Chair Vance asked Secretary Webb to call the roll.

II. Roll Call

The following members of the Board of Trustees were in attendance: Thomas Abell, Claude A. "Skip" Berry, Cathy A. Black, E. Britt Brockman, Todd Case, Aaron Cramer, Ray Daniels, Brenda Gosney, Andrew Laws, Lance Lucas, Kimberly McCann, David Melanson, Paula Leach Pope, Derrick K. Ramsey, Sandra R. Shuffett, Hollie Swanson, Robert Vance and Rachel Watts Webb. Ron Geoghegan and Frank Shoop were not in attendance.

Secretary Webb announced a quorum was present.

III. Approval of Minutes

Chair Vance reported that there had been no petitions to address the Board since their last meeting. He stated that the minutes of September 16, 2022, meeting had been distributed and asked for a motion to approve. Trustee Melanson moved approval and Trustee Shuffett seconded the motion. The motion carried without dissent. (See meeting minutes on the Board of Trustees website, www.uky.edu/Trustees, under "Agenda")

IV. Chair's Report

Chair Vance reported that the Executive Committee called a special meeting on October 10 to accept the FY 2021-22 Audited Financial Statements and the Independent Auditor's Report on Financial Statements and Required Supplementary Information.

The university was required to submit a reaffirmation report to the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) on September 8, prior to the completion of the FY22 Audit. SACSCOC recognizes this is an issue for many institutions and offered an alternative submission date for the audit portion of the report on October 17.

The Executive Committee acting on behalf of the Board approved ECR 1, accepting the University of Kentucky Audited Financial Statements for the fiscal year ended June 30, 2022. Chair Vance asked for a motion to approve ECR 1, ratifying the

Executive Committee's approval of the audit financial statements. Trustee McCann moved approval, Trustee Cramer seconded the motion, and ECR 1 passed without dissent. (See ECR 1 on the Board of Trustees website, www.uky.edu/Trustees, under "Agenda")

Chair Vance then recognized President Capilouto for his report.

V. President's Report

President Capilouto provided a summary of the Board Retreat, "I hope you enjoyed all the time we spent together yesterday and found it informative, engaging and challenging. You met with several talented and tenacious researchers, each tremendous in their own way, and they are only a handful of members from the deep roster of expertise that exists in the research enterprise at this remarkable university. You saw people who are committed to advancing the economy of our state. You engaged with those on our team seeking partnerships with government and industry to extend the reach of what we do, and you heard with me the compelling stories of personal sacrifice and unbelievable commitment to finding solutions that will heal more Kentuckians, but also make life just a little better for our children and their children."

The president continued by recognizing the research participants, "I want to thank Dr. Cassis and her wonderful team for their time with us yesterday. I know you saw their depth and saw their talent, but I trust you also could easily see their compassion and commitment. They are creating and sustaining an ecosystem of ingenuity that exist across and among every college on our campus with scholars who understand that discoveries found at the cellular level can have an impact across communities and our entire Commonwealth. The challenges we face, the breakthroughs that we can credit to our hard work solve the same challenges we see around the world. Cutting cancer rates in Kentucky holds the promise of cutting them across the country. Reducing deaths from opioid misuse in Louisville or Lexington, Campbell, or Carter Counties, means we can eliminate them in Washington or Wilmington, Sarasota or Sacramento. This is what we can do, and this is what we are doing as I speak."

"But now we must recognize that there is more to be done and we must meet this moment, a moment that calls us to extend what we do across more challenges and opportunities for Kentucky and for our citizens across this country. Our economy, as you heard yesterday and I know from what you read and observe in your communities, is being transformed, it is continuing its march toward being a knowledge-based economy. This is true not only for industries and sectors that we think of when we use that term, but also traditional and critically important areas, such as manufacturing. Kentucky in many ways is positioning itself to compete in that economy for jobs and further investments. If our state is to be healthier, wealthier and wiser, then we must be a critical partner ensuring that Kentucky is positioned to compete and succeed."

The president continued, "That should drive how we think about enrollment and student success. How we continue to grow the numbers of graduates we help cross that

commencement stage ready to fill those jobs, but holistically and completely educated to lead their communities in a variety of ways. How we think about growing our research enterprise and ways that ensure our collective commitment to ingenuity advances the economy and the vitality of Kentucky.”

“We noted yesterday we have pockets of expertise in areas that might broadly be described as material science, areas so crucial to where our economy is going, but we have much more to do, including some of the following:

- Recruiting and retaining world-class scholars in cutting-edge areas;
- Building the infrastructure that will increase and support the university’s capacity for discovery and commercialization; and
- Proving to policymakers and funders that we will take faith in and support for our efforts and use those resources efficiently and effectively to maximize their impact for Kentucky.

We have an opportunity to understand where the nation and world are rapidly moving to and doing all that we can to ensure Kentucky is not left behind but is a player in this 21st Century economy. However, we just cannot stand still. We must act thoughtfully, strategically and boldly to ensure that Kentucky is prepared and positioned for success.”

“I hope that yesterday’s presentations and the dialogue gave you confidence that we are readying ourselves to advance Kentucky in these critical areas. It is with an incredible sense of optimism, hope and resolve that we have put before you for consideration a resolution. I hope it speaks to what you heard yesterday and what we believe we need to do to be prepared to succeed on behalf of Kentucky, to succeed with Kentucky tomorrow and in the future. Mr. Chairman, that is my report. I want to thank all of you for your engagement yesterday and your continued leadership of our university.”

CR 1 Inspiring Ingenuity Across Campus to Ensure a Kentucky that is Healthier, Wealthier and Wiser

Chair Vance introduced CR 1, a recommendation that the Board of Trustees approve the resolution for Inspiring Ingenuity Across Campus and to Ensure a Kentucky that is Healthier, Wealthier and Wiser.

“It captures the context of the times in which we find ourselves today as a state and a nation – a rapidly changing and evolving economy that needs institutions like ours to find innovative solutions for the opportunities and challenges that confront us. It directs the president to take the necessary steps to seek support and to use that support efficiently and effectively. To create the capacity in both talent and infrastructure to ensure that this university – Kentucky’s university – is an important player in this process.”

The chair continued, “The direction we set for this institution nearly a decade ago set the stage for incredible growth – particularly in areas of need that speak to the health

of our people. We must continue to support and grow those efforts. However, we must build upon that foundation by nurturing and developing even more expertise in areas of study and discovery essential to the strength of our economy. In fact, that need to build, nurture and develop is the rationale behind what I think are some constructive changes we made to the resolution this morning after some positive dialogue with our faculty trustees.”

Chair Vance explained the new resolution was loaded to Directors Desk that morning with additional language concerning the university’s special responsibility to leverage talent and scholarship across the entire campus. “The idea is that even as we necessarily build technical capacity and research we also must build and nurture a more humane people and state as well.”

Chair Vance asked for a motion to approve CR 1. Trustee Lucas moved approval, Trustee Shuffett seconded the motion, and CR 1 passed without dissent. (See CR 1 on the Board of Trustees website, www.uky.edu/Trustees, under “Agenda”)

VI. Nominating Committee Report

Chair Vance stated that Nominating Committee Chair Frank Shoop was out of town and he had asked Nominating Committee Member Trustee Shuffett to present the Nominating Committee report in his absence. Chair Vance introduced Trustee Shuffett for the Nominating Committee report.

Trustee Shuffett reported that the Nominating Committee met on October 7, 2022, to discuss the slate of officers and members elected to the Executive Committee, adding that the Committee received 100 percent participation from the Board members. Trustee Shuffett submitted the following nominations for the following offices:

- For Chair – Robert Vance
- For Vice Chair – Kimberly McCann
- For Secretary – Rachel Webb
- For Assistant Secretary - William Thro, General Counsel

Chair Vance stated they would proceed with the election of officers of the Board, and then the election of members of the Executive Committee. He stated that he was honored to be the nominee for chair but felt it would be a conflict of interest to preside over that election. He asked Nominating Committee Member Trustee Shuffett to conduct the election of chair.

Chair Pro Tem Shuffett stated that the Nominating Committee had nominated Robert Vance for chair. She asked for any nominations from the floor. Hearing no discussion, the nominations were closed. Dr. Shuffett called for the vote for Trustee Robert Vance as chair, and it passed without dissent. She congratulated Chair Vance who said he was sincerely honored to be chosen by his peers as chairman.

Chair Vance then reported that the Nominating Committee had nominated Kimberly McCann for vice chair. Chair Vance asked for nominations from the floor. Hearing no discussion, the nominations were closed. Chair Vance called for the vote for Trustee Kimberly McCann as vice chair and it passed without dissent. Chair Vance congratulated Vice Chair McCann.

For secretary, Trustee Rachel Webb was nominated by the Nominating Committee. Chair Vance asked for nominations from the floor. Hearing no discussion, the nominations were closed. Chair Vance called for the vote for Trustee Rachel Webb as secretary, and it passed without dissent. Chair Vance congratulated Secretary Webb.

The Nominating Committee nominated General Counsel William Thro for assistant secretary. Chair Vance asked for nominations from the floor. Hearing no discussion, the nominations were closed. Chair Vance called for the vote for General Counsel William Thro as assistant secretary and it passed without dissent. Chair Vance congratulated Mr. Thro.

Chair Vance called on Trustee Shuffett for the nominations for the Executive Committee.

Trustee Shuffett stated that per Governing Regulation II.E.2 (a), the chair and vice chair of the Board are two (2) of the five (5) members of the Executive Committee. The chair of the Board of Trustees shall also serve as chair of the Executive Committee. By virtue of their newly elected offices, Chair Robert Vance and Vice Chair Kimberly McCann were members of the Executive Committee. As secretary of the Board, Trustee Webb is the ex officio secretary of the Executive Committee. Therefore, the Nominating Committee submitted the following three nominations for the at-large members:

Claude A. "Skip" Berry, III
E. Britt Brockman, M.D.
Derrick K. Ramsey

Chair Vance explained that the election of the members of the Executive Committee would proceed in like fashion to the election of the officers of the Board. He stated that the Nominating Committee nominated Claude A. "Skip" Berry, III, E. Britt Brockman, M.D., and Derrick K. Ramsey as the at-large members of the Executive Committee. He asked for nominations from the floor. Hearing no discussion, the nominations were closed. Chair Vance called for the vote, and it passed without dissent. Chair Vance congratulated Trustees Berry, Brockman and Ramsey.

Trustee Shuffett thanked the Board for their recommendations and applauded the nominating process.

VII. Other Business

Chair Vance asked if there was any further business to come before the Board.

VIII. Adjournment

Hearing no further business, the meeting adjourned at 9:52 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Rachel", written in a cursive style.

Rachel Watts Webb
Secretary