FCR 4

Office of the President
February 17, 2023

Members, Board of Trustees:

ESTABLISHMENT OF COLLEGE OF ARTS AND SCIENCES INTERNAL ENDOWMENT AND COMMONWEALTH OF KENTUCKY RESEARCH CHALLENGE TRUST FUND AND ENDOWMENT MATCH PROGRAM

Recommendation: that the Board of Trustees accept contributions of $100,000 from private individuals (the "Donors") to create and endow a graduate fellowship fund in the College of Arts and Sciences and submit these contributions 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, 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.

Background: The 2022 General Assembly of the Commonwealth of Kentucky approved a sixth round of funding for the Research Challenge Trust Fund. State matching funds are available only for new gift commitments made after July 1, 2022. UK will receive $20,000,000 in matching funds that must be designated for endowments specifically supporting initiatives in the fields of science, technology, engineering, mathematics, and health (i.e., STEM+H). Furthermore, the endowments are to support research activities to stimulate business development, increase externally sponsored research, to create better jobs and a higher standard of living, and facilitate Kentucky's transition to a knowledge-based economy. RCTF provides a dollar-for-dollar match *at a minimum*. UK will use the RCTF to match at a 2:1 ratio. As a result, UK will leverage $20,000,000 into $60,000,000.

The Donors have generously made contributions totaling $41,450 and pledges totaling $58,550 (collectively, the "contributions") to endow a graduate fellowship fund named the "Constance L. Wood Graduate Fellowship in Statistics" in the College of Arts and Sciences, Dr. Bing Zhang Department of Statistics. These contributions are eligible to receive matching funds.

In recognition of the significance of these contributions, and with the consent of the Office of the Vice President for Research, the recommendation was made that the contributions be submitted for matching funds at a gift-to-matching funds ratio of 2:1.

Action taken: ☑ Approved ❑ Disapproved ❑ Other _____