

# FCR 5

Office of the President  
February 17, 2023

Members, Board of Trustees:

DIAMOND DERBY INC. GRANT AND  
COMMONWEALTH OF KENTUCKY RESEARCH CHALLENGE TRUST FUND  
AND ENDOWMENT MATCH PROGRAM

Recommendation: that the Board of Trustees accept a grant of \$800,000 from Diamond Derby Inc. of Louisville, Kentucky (the “Donor”) to create and endow two funds in the College of Medicine and submit this grant 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 Donor has generously made a grant of \$800,000 to endow a professorship fund named the “Barnstable Brown Diabetes and Obesity Research Endowed Professorship” and a faculty excellence fund named the “Willie Barnstable Endowed Faculty Excellence Fund” in the College of Medicine, supporting the Barnstable Brown Diabetes Center. This grant is eligible to receive matching funds.

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

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