

FCR 1

Office of the President
September 15, 2023

Members, Board of Trustees:

ACCEPTANCE OF CHARITABLE GRANT FROM THE B. WAYNE HUGHES SR.
FAMILY FUND AND SUBMISSION OF GRANT TO THE COMMONWEALTH OF
KENTUCKY RESEARCH CHALLENGE TRUST FUND ENDOWMENT MATCH
PROGRAM

Recommendation: that the Board of Trustees accept a charitable grant of \$5,000,000 from the B. Wayne Hughes Sr. Family Fund (the “Donor”) to create two funds to support the University of Kentucky College of Medicine and submit the qualifying portion of the grant for matching funds from the Commonwealth of Kentucky Research Challenge Trust Fund (“RCTF”) Endowment Match Program. Further, pursuant to guidelines approved by the Council on Postsecondary Education, that the Board of Trustees acknowledge its responsibility for UK’s participation in and implementation of the RCTF Endowment Match 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 RCTF Endowment Match Program. UK has been allocated \$20,000,000 of matching state funds for endowments supporting initiatives in the fields of science, technology, engineering, mathematics, and health (i.e., STEM+H). Furthermore, the endowments are to support research activities that stimulate business development, increase externally sponsored research, create better jobs and a higher standard of living, and facilitate Kentucky’s transition to a knowledge-based economy. The RCTF Endowment Match Program requires a dollar-to-dollar match of private to public funds at a minimum. To increase the impact of the state funds, UK will match each state dollar with two dollars of private funds. As a result, UK will leverage \$20,000,000 of state funds into \$60,000,000.

The Donor’s charitable grant will be used to support the “B. Wayne Hughes Program for Cardiovascular Innovation” (the “Program”) in the College of Medicine, Department of Internal Medicine, Division of Cardiovascular Medicine. Per the charitable contribution agreement, the grant will be used to create and support two funds including (1) an endowed fund named the “B. Wayne Hughes Program for Cardiovascular Innovation Endowment” and (2) a non-endowed fund named the “B. Wayne Hughes Program for Cardiovascular Innovation Non-Endowed Fund”. The endowed fund will receive \$4,000,000 of the charitable grant to support one or more distinguished professorships and one or more research scholars. The non-endowed fund will receive \$1,000,000 of the charitable grant to support faculty, staff and other expenses of the Program. The charitable grant supporting the endowed fund is eligible to be matched by the RCTF Endowment Match Program.

In recognition of the significance of the qualifying portion of the grant, and with the consent of the Office of the Vice President for Research, it is recommended that the eligible portion of the charitable grant be submitted for state matching funds at a ratio of 2:1. As a result, the endowed fund will be established with \$6,000,000 including \$4,000,000 from the charitable grant and \$2,000,000 from the RCTF Endowment Match Program.

Action taken: ☒ Approved

☐ Disapproved

☐ Other