

Minutes of the Finance Committee Meeting  
University of Kentucky Board of Trustees  
June 13, 2024

The Finance Committee of the University of Kentucky Board of Trustees met on Thursday, June 13, 2024, in the Gatton Student Center Harris Ballroom.

A. Meeting Opened

Chair Kimberly McCann called the meeting to order at 5:26 p.m. Chair McCann asked Ms. Brenda Heeter, secretary to the Finance Committee, to call the roll.

B. Roll Call

The following members of the Finance Committee were present: Alex Boone, Todd Case, Janie Greer, Lizzy Hornung, Lance Lucas, Kimberly McCann, Elizabeth McCoy, Dave Melanson, Frank Shoop and Robert Vance. Ms. Heeter announced that a quorum was present.

C. Approval of Minutes

Chair McCann asked if there were any corrections to the minutes from the February 23, 2024, meeting which were distributed. Trustee McCoy made a motion to approve the minutes. Trustee Shoop seconded the motion. The motion carried without dissent.

D. EVPFA Report

The floor was yielded to Dr. Eric Monday, executive vice president for finance and administration (EVPFA) and co-executive vice president for health affairs, for the EVPFA report. Dr. Monday previewed the budget and letter of credit that is brought before the finance committee annually.

Next Eric Monday introduced Angie Martin, vice president for financial planning and chief budget officer, to review FCRs 7 and 8, the FY 2024-25 budget recommendation and the AY 2024-25 tuition and fees recommendation brought before the committee for approval.

Ms. Martin shared that his year's budget represents a \$48.9 million increase in state appropriations for operations. The General Assembly also appropriated the University \$200 million of state bonds for the agricultural research facility and \$124 million for asset preservation projects.

The consolidated budget is complex and typically talked about in three separate enterprises: UKHC (61%), higher education (37%) and athletics (2%). The higher education enterprise includes state appropriations that are received from the state Performance Funding Model which has been in place for 8 years. This is longer than what is normally seen in funding models. The University performs well in the model and shares

funds with the colleges based on three incentive funding models.

Additionally, Ms. Martin provided information about the Tuition and Mandatory Fees recommendation presented in FCR 7. The recommended AY 2024-25 tuition and mandatory fees reflect a 2.2 percent increase for most resident and nonresident students. As part of mandatory fees, an increase is recommended for the Student Services fee to provide more career advising services. This recommendation was developed in conjunction with the student government association. The additional funds will be used for career advising.

Finally, Ms. Martin thanked the university budget office team and all the budget officers across campus who worked tirelessly to put the budget together.

Frank Shoop asked about the funds provided for Markey Cancer Center by the general assembly. Ms. Martin shared that the general assembly allocated \$5 million for FY 2024-25 and \$5 million for the following year.

Dr. Swanson asked about the fee increase for career advising and where it will be used. Ms. Martin shared the fee income will be assigned to Student Success.

Next on the agenda were Drs. Rob Edwards, Vice President and Chief Strategy and Growth Officer for UK HealthCare, and Nancy Cox, Dean and Vice President for Land Grant Engagement for the Martin-Gatton College of Agriculture, Food and Environment, to report on Work Group 3. Dr. Edwards shared information about the impact of partnerships from the University's ability to meet the state's needs through research, education, service, care and extension. Qualitative themes came from research at UK King's Daughters Medical Center and St. Claire Healthcare focusing on clinical quality improvement in local workforce growth and access for patients.

Dr. Cox shared that after extensive conversations, the University of Kentucky (UK) Memorandum of Understanding (MOU) with the Kentucky Community and Technical College System (KCTCS) was signed on June 10, 2024. This MOU allows for better opportunities for students to transfer to UK from KCTCS.

Dr. Cox shared that the OneUK program was launched under the economic development collaborative. OneUK is designed to deepen relationships with strategic industry partners by providing a one-stop shop for companies that would like to work with UK. Every college provides exclusive access to talent pipelines for students and alumni which is a great collaboration for the University and the strategic partners. Finally, Dr. Edwards shared how future economic developments will benefit local communities.

## E. Business Items

### FCR 1 Acceptance of Grant Commitment from the Bill Gatton Foundation and Submission of Grant Commitment to the Commonwealth of Kentucky Research Challenge Trust Fund Endowment Match Program

FCR 1 seeks acceptance of a grant commitment of \$16,000,000 from The Bill Gatton Foundation of Bristol, Tennessee (the Donor) to support the University of Kentucky College of Medicine and Martin-Gatton College of Agriculture, Food, and Environment and submit qualifying portions 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, it is recommended 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.

The Donor's grant was made in honor of Ms. Barbara B. Edelman, trusted legal advisor to Mr. Bill Gatton and whose Barnstable-Edelman family have made a remarkable difference in the lives of countless Kentuckians. As such, \$10,000,000 of the grant will expand diabetes research and clinical care through the creation of the "Barbara B. Edelman Barnstable-Brown Endowed Faculty Fund." This portion of the grant is eligible to receive RCTF matching funds.

Per the agreement with the Donor, \$3,200,000 of the grant will be invested in the Center's innovation fund to support the next breakthrough in diabetes care and treatments. In addition, the grant includes \$500,000 of non-endowed funds to support the Center's faculty.

Finally, the grant will provide \$2,300,000 to advance workforce development and improve access to care through scholarships and stipends to individuals pursuing designated diabetes care related licensures with demonstrated interest in serving rural or underserved communities. Individuals in specific programs within the College of Medicine and the Martin-Gatton College of Agriculture, Food, and Environment will be eligible for the scholarships and stipends.

In recognition of the significance of the grant commitment, and with the consent of the Office of the Vice President for Research, it is recommended that a qualifying portion of the grant commitment be submitted for the remaining available state matching funds which total \$110,666.50. As a result, the "Barbara B. Edelman Barnstable-Brown Endowed Faculty Fund" will eventually receive \$10,110,666.50 including \$10,000,000 from the grant and \$110,666.50 from the RCTF Endowment Match Program.

Trustee Case made a motion to accept FCR 1. Trustee Boone seconded the motion. The motion carried without dissent.

FCR 2 Acceptance of Gifts and Commitments and Submission of the Gifts and Commitments to the Commonwealth of Kentucky Research Challenge Trust Fund Endowment Match Program

FCR 2 seeks acceptance of gifts and commitments totaling \$300,000 to establish the “Clinical and Translational Geriatric Neurology Visiting Professorship Endowment” in the College of Medicine, Department of Neurology, and submit these gifts and commitments 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, it is recommended that the Board of Trustees acknowledges its responsibility for UK’s participation in and implementation of the RCTF Endowment Match Program and for providing oversight of all university endowment funds.

UK has received generous gifts and commitments from six donors from Lexington, Kentucky, totaling \$300,000. The six donors are Gene and Jean Cravens, the Patricia L. Pfiester Memorial Fund, Diedre Lyons, Cynthia Allen, and the Alex Boone Charitable Trust. These gifts and commitments will establish the “Clinical and Translational Geriatric Neurology Visiting Professorship Endowment” in the College of Medicine, Department of Neurology. The gifts and commitments are eligible to be matched by the RCTF Endowment Match Program.

In recognition of the significance of these gifts and commitments, and with the consent of the Office of the Vice President for Research, it is recommended that they be submitted for state matching funds at a ratio of 2:1. As a result, the “Clinical and Translational Geriatric Neurology Visiting Professorship Endowment” will eventually receive \$450,000 including \$300,000 from the gifts and commitments and \$150,000 from the RCTF Endowment Match Program.

Trustee Melanson made a motion to accept FCR 2. Trustee Greer seconded the motion. The motion carried without dissent.

FCR 3 Acceptance of Charitable Gift Commitment from Richard M. Rothfuss and Submission of the Gift Commitment to the Commonwealth of Kentucky Research Challenge Trust Fund Endowment Match Program

FCR 3 seeks acceptance of a gift commitment of \$100,000 from Richard M. Rothfuss of Cincinnati, Ohio (the Donor), to create and endow the “Richard M. and Catherine J. Rothfuss Neuroscience Program Support Fund” in the University of Kentucky College of Arts and Sciences and submit this gift 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, it is recommended 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.

The Donor's gift commitment of \$100,000 will be used to create and endow the "Richard M. and Catherine J. Rothfuss Neuroscience Program Support Fund" in the College of Arts and Sciences, Neuroscience Program. This gift commitment is eligible to be matched by the RCTF Endowment Match Program.

In recognition of the significance of this gift, and with the consent of the Office of the Vice President for Research, it is recommended that the charitable gift commitment be submitted for state matching funds at a ratio of 2:1. As a result, the "Richard and Catherine Rothfuss Neuroscience Program Support Fund" will eventually receive \$150,000 including \$100,000 from the gift and \$50,000 from the RCTF Endowment Match Program.

Trustee Hornung made a motion to accept FCR 3. Trustee McCoy seconded the motion. The motion carried without dissent.

FCR 4 Acceptance of Charitable Grant Commitment from Rexford Tibbens in Support of the Gatton College of Business and Economics

FCR 4 seeks acceptance of a charitable grant commitment of \$1,000,000 from Rexford "Rex" Tibbens of Bainbridge Island, Washington, to support annual merit-based undergraduate scholarships to students in the University of Kentucky Gatton College of Business and Economics (the College). Through this new charitable grant, Mr. Tibbens is renewing his multi-year commitment to provide student support for the College.

Trustee Lucas made a motion to accept FCR 4. Trustee Vance seconded the motion. The motion carried without dissent.

FCR 5 Acceptance of Interim Financial Report for the Nine Months Ended March 31, 2024

FCR 5 seeks acceptance of the University of Kentucky consolidated financial report for the nine months ended March 31, 2024. The consolidated financial report includes the financial activities of the University of Kentucky and its affiliated corporations:

- University of Kentucky Research Foundation
- University of Kentucky Gluck Equine Research Foundation, Inc.
- University of Kentucky Humanities Foundation, Inc.
- University of Kentucky Mining Engineering Foundation, Inc.
- Central Kentucky Management Services, Inc.
- Beyond Blue Corporation and its non-profit subsidiary Royal Blue Health, LLC

As of March 31, 2024, the University has recognized \$5,409,928,709 of current funds revenue representing 79 percent of the Fiscal Year 2023-24 approved budget of \$6,890,210,300. Expenses and transfers total \$4,897,832,364 or 71 percent of the approved budget.

Trustee McCoy made a motion to accept FCR 5. Trustee Greer seconded the motion. The motion carried without dissent.

#### FCR 6 Fiscal Year 2023-24 Budget Revision

FCR 6 seeks authorization and approval of a revision to the Fiscal Year 2023-24 budget to increase the University of Kentucky's current funds budget by \$9,000,000 from \$6,890,210,300 to \$6,899,210,300.

Trustee McCoy made a motion to accept FCR 6. Trustee Shoop seconded the motion. The motion carried without dissent.

#### FCR 7 Academic Year 2024-25 Tuition and Mandatory Fees Schedule

FCR 7 seeks approval of the Academic Year (AY) 2024-25 Tuition and Mandatory Fees Schedule. The recommended rates reflect a 2.2 percent increase for most resident and nonresident students compared to AY 2023-24. The recommended program, course and administrative fees for AY 2024-25 are included in FCR 8 Fiscal Year 2024-25 Operating and Capital Budget.

Pursuant to KRS 164.020(8), the Council on Postsecondary Education has the statutory authority to determine tuition for Kentucky's public colleges and universities. The Council considers any required fees charged to most students as subject to the statute. On March 31, 2023, the Council adopted resident undergraduate tuition and mandatory fee ceilings for academic years 2023-24 and 2024-25 with a maximum rate increase of no more than 5.0 percent over the two years and a maximum increase of no more than 3.0 percent in any one year.

The UK Board of Trustees recommended, and the Council approved, a 2.75 percent increase in the rates for resident undergraduate students for AY 2023-24. As a result, the University is permitted to increase AY 2024-25 undergraduate resident tuition and mandatory fee rates by 2.2 percent for a total 5.0 percent increase over the two years. The recommended AY 2024-25 rates comply with the Council's tuition and mandatory fees ceilings and policy.

Trustee Shoop made a motion to accept FCR 7. Trustee Boone seconded the motion. The motion carried without dissent.

#### FCR 8 FISCAL YEAR 2024-25 Operating and Capital Budget

FCR 8 seeks:

1. Approve the Fiscal Year 2024-25 Operating and Capital Budget.
2. Approve the appropriation and allocation of all fund balances as of June 30, 2024, for future operations. The actual balances may be different than the estimates incorporated in the proposed budget. Since the books of account for the University of Kentucky are maintained on a full accrual basis, this action will provide the authorization to expend accumulated fund balances as necessary

- to maintain a sound financial position during the fiscal year ending June 30, 2025.
3. Order that the Fiscal Year 2024-25 Operating and Capital Budget be recorded as an integral part of the University's financial system with the necessary fiscal control being exercised for the recognition and collection of income and the expenditure of funds, including the allocation of expenditure authority to departments, in accordance with established fiscal policies and procedures.
  4. Accept the Fiscal Year 2024-25 Operating and Capital Budget as the basis of the maximum expenditure of current funds, subject to item number two above and subsequent Board approved budget revisions.

Pursuant to Governing Regulation Part II E.2.d.3, the Finance Committee oversees the budgets of the University by reviewing and recommending the annual operating budget to the Board of Trustees. The University's recommended Fiscal Year 2024-25 Operating and Capital Budget totals \$8,369,418,200, an increase of \$1,589,095,300, or 23.4 percent, compared to the Fiscal Year 2023-24 original budget. A summary of the recommended Fiscal Year 2024-25 Operating and Capital Budget is provided and is available online at <http://www.uky.edu/ubo>.

Trustee Melanson made a motion to accept FCR 8. Trustee Greer seconded the motion. The motion carried without dissent.

FCR 9 A Resolution Providing for the Authorization, Issuance and Sale of General Receipts Refunding Obligations of the University of Kentucky, Pursuant to the Trust Agreement Dated as of November 1, 2005.

FCR 9 seeks approval of a resolution authorizing the issuance, in one or more installments, of General Receipts Refunding Bonds ("Bonds") or entering into a General Receipts Lease or Leases ("Lease"), or any combination thereof (the "Refunding Obligations") in the principal amounts or respective principal amounts required to accomplish the refunding of certain outstanding General Receipts Obligations under the Trust Agreement (collectively, the "Prior Bonds") or certain obligations issued by the City of Ashland Kentucky, for the benefit of the Ashland Hospital Corporation (collectively, the "Ashland Prior Obligations"), to be designated as "University of Kentucky General Receipts Refunding Bonds" or "General Receipts Lease," and shall bear such further series designations that is appropriate to the order of issuance thereof, and to be dated as of a date determined by the treasurer.

The resolution approves the issuance of Refunding Obligations that are sold between July 1, 2024, and June 30, 2025, for the purpose of refunding the Prior Bonds or Ashland Prior Obligations when favorable financial results may be realized through redeeming and refunding the Prior Bonds or Ashland Prior Obligations.

Trustee McCoy made a motion to accept FCR 9. Trustee Shoop seconded the motion. The motion carried without dissent.

### FCR 10 Improvements to Leased Property

FCR 10 seeks approval of improvements to leased property initiated during Fiscal Year 2024-25 which cost less than \$1,000,000, are not funded by state General Funds or debt, and have been deemed necessary by the Executive Vice President for Finance.

Trustee Boone made a motion to accept FCR 10. Trustee Case seconded the motion. The motion carried without dissent.

### FCR 11 Disposal of Personal Property

FCR 11 seeks approval for Fiscal Year 2024-25 authorizing: (1) routine disposition of personal property having a value less than \$25,000 to include equipment and machinery; miscellaneous supplies and furnishings; vehicles; library books and materials; livestock and other agricultural commodities and products; recyclable materials; items with no possible future use; and equipment acquired as part of the Smart Campus Initiative; and (2) the methods of disposal as listed on the attachment.

Kentucky Revised Statute 164A.575 requires that the Board of Trustees approve the disposition of equipment and other property. Administrative Regulation 8:1, approved by the Board of Trustees at its December 2020 meeting, establishes the policies and procedures for the routine disposition of property. The proposed plan will provide an efficient and timely process for the disposition of such property having a value of less than \$25,000. Non-routine dispositions require specific approval of the Board of Trustees.

Trustee Lucas made a motion to accept FCR 11. Trustee McCoy seconded the motion. The motion carried without dissent.

### FCR 12 Establishment of the Center for Applied Energy Research Quasi-Endowment Fund

FCR 12 seeks approval of the establishment of the UK Center for Applied Energy Research Quasi-Endowment Fund. The 2024 General Assembly of the Commonwealth of Kentucky appropriated \$20,000,000 of state General Funds per year for Fiscal Years 2024-25 and 2025-26 to the University to be invested as a quasi-endowment. Pursuant to House Bill 1, the interest earned on the investment shall be used for the UK Center for Applied Energy Research's (CAER) administration and support of the Kentucky Nuclear Energy Development Authority (KNEDA) and the Energy Planning and Inventory Commission (EPIC). The 2024 Kentucky General Assembly established the KNEDA and EPIC through Senate Bills 198 and 349 with directives to submit various reports on activities, studies and recommendations beginning as soon as December 1, 2024.

The University will administer this new quasi endowment like all other quasi endowments and follow the [University's Endowment Investment Policy](#). However, the University will exempt this quasi-endowment fund from that policy's one-year delay of spending distributions from new endowment funds given the 2024 General Assembly's directives described above.

Trustee Melanson made a motion to accept FCR 12. Trustee McCoy seconded the motion. The motion carried without dissent.

#### FCR 13 Approval of Ground Lease (1357 Shun Pike)

FCR 13 seeks authorization for the Executive Vice President for Finance and Administration to negotiate and execute a ground lease between the University of Kentucky, as Lessor, and Double F Enterprises, Inc., or a single purpose entity name selected by Double F Enterprises, Inc, as Lessee, for 1357 Shun Pike, Nicholasville, Jessamine County, Kentucky.

On December 20, 2017, the University received an estate gift of two tracts of farmland in Nicholasville, Jessamine County, Kentucky. Tract 1 is approximately 71.08 acres and located at 1357 Shun Pike which is on the outside of the Nicholasville US 27 Bypass. Tract 2 is approximately 14.88 acres and located on the inside of the Nicholasville US 27 Bypass.

The farmland was part of the William Walter Halfhill estate and was gifted to UK Athletics with the following restriction: "...that the farm shall be operated and maintained solely as a farm without subdivision or development for a period of 25 years after my death."

Following a request for proposal process, the University has selected Double F Enterprises, Inc. (Lessee) to lease the property for agricultural use consistent with the restriction. The Lessee will be responsible for the care, management and maintenance of the property. This will be a multiple-year agreement starting at lease execution, with renewal terms available if agreed to by the University and the Lessee.

Trustee Vance made a motion to accept FCR 13. Trustee Shoop seconded the motion. The motion carried without dissent.

#### FCR 14 Improve Center for Applied Energy Research Facilities (Carbon Fiber Development Facility) Capital Project

FCR 14 seeks approval of the initiation of the Improve Center for Applied Energy Research (CAER) Facilities (Carbon Fiber Development Facility) capital project. The University's CAER is working in partnership with Oak Ridge National Laboratory Carbon Fiber Technology Center (ORNL) to construct a new laboratory building to serve as a pilot-scale process development unit for converting coal to high-value carbon products. The new laboratory will be approximately 5,000 square feet and located at the CAER location adjacent to the Spinline and Pitch Lab buildings. In partnership with ORNL, the CAER will produce high-value carbon fiber from raw coal at the largest scale in the United States. This new purpose-built facility is necessary to process tons of coal efficiently and safely into mesophase pitch, recover and utilize by-products, and develop new sustainable technologies to generate high-value carbon fiber, binders, and other materials for composite structures.

At its February 2020 meeting, the Board approved the initiation of this project with an original scope of \$2,500,000. Due to increases in construction costs, the Board approved a \$1,000,000 scope increase in June 2022. Unfortunately, due to both inflationary increases in the construction market and delays in approvals for the federal funds, the scope of the project has further increased by \$1,200,000 bringing the total estimated cost to \$4,700,000.

Trustee Melanson made a motion to accept FCR 14. Trustee Greer seconded the motion. The motion carried without dissent.

#### FCR 15 Improve Campus Parking and Transportation System (South Campus Parking Structure and Recreation Space) Capital Project

FCR 15 seeks approval of the initiation of the Improve Parking and Transportation System (South Campus Parking Structure and Recreation Space) capital project and authorize the Executive Vice President for Finance and Administration to negotiate and execute all documents necessary to create a viable Public-Private-Partnership (P-3).

The University must address the pending loss of over 1,100 parking spaces due to the construction of the Forage Animal Production Laboratory by the United States Department of Agriculture in a portion of the current Orange Parking Lot and the planned expansion of the Albert B. Chandler Hospital (Patient Care Facility Expansion). While the Patient Care Facility Expansion project will include structured parking specifically for increased patient and visitor demands, additional structured parking will be needed primarily for UK HealthCare employees.

The planned new parking structure is estimated to accommodate approximately 1,200 vehicles and will be located on South Campus adjacent to University Drive and Cooper Drive. Additionally, the University is exploring the expansion of existing recreational spaces for South Campus as part of this P-3 project. Thus, this project will include a new parking structure and possibly the improvement and expansion of the Johnson Center recreation facility, student recreation fields and greenspaces.

Trustee Shoop made a motion to accept FCR 15. Trustee McCoy seconded the motion. The motion carried without dissent.

#### FCR 16 Construct Cancer/Ambulatory Facility Phase 2 (Cancer Treatment Center/Ambulatory Outpatient Center) Capital Project

FCR 16 seeks acceptance of the initiation of the Construct Cancer/Ambulatory Facility Phase 2 (Cancer Treatment Center/Ambulatory Outpatient Center) capital project. On December 13, 2022, the Board approved the initiation of the construction phase of the Cancer Treatment Center/Ambulatory Outpatient Center capital project with an approved scope of \$500,000,000. This project includes multiple clinical care buildings and structured parking anchored by an approximate 260,000 square foot facility for cancer-specific services. This facility was originally planned to have three shelled floors for future growth.

Demands for cancer and ambulatory care have since increased significantly and the projected growth necessitates that UK HealthCare proceed with Phase 2 of the project including the fit-out of the planned shelled floors. Consequently, the project scope will increase to \$850,000,000 with the initiation of Phase 2 and will be funded with agency and private funds.

Trustee Vance made a motion to accept FCR 16. Trustee Case seconded the motion. The motion carried without dissent.

FCR 17 Improve Clinical/Ambulatory Services Facilities (Kentucky Clinic Starbucks) Capital Project

FCR 17 seeks approval of the initiation of the Improve Clinical/Ambulatory Services Facilities (Kentucky Clinic Starbucks) capital project. This project will renovate and expand the space for the Kentucky Clinic Starbucks. This location experiences heavy and consistent demand and the current space cannot adequately serve patients, staff and other customers.

Trustee Boone made a motion to accept FCR 17. Trustee Shoop seconded the motion. The motion carried without dissent.

FCR 18 Improve clinical/Ambulatory Services Facilities (Relace Two Elevators at Kentucky Clinic) Capital Project

FCR 18 seeks approval of the initiation of the Improve Clinical/Ambulatory Facilities (Replace Two Elevators at Kentucky Clinic) capital project. This project will replace elevators #7 and #8 at the Kentucky Clinic. The scope of work will include the replacement of all equipment and cabs associated with the elevators which have reached the end of their useful service lives.

Trustee Hornung made a motion to accept FCR 18. Trustee Vance seconded the motion. The motion carried without dissent.

FCR 19 Acquire/Improve Medical/Administration Facility 3 (UK King's Daughters Emergency Department, Imaging and Endoscopy) Capital Project

FCR 19 seeks approval for the expanded scope of the Acquire/Improve Medical/Administration Facility 3 (UK King's Daughters Emergency Department, Imaging and Endoscopy) capital project. Prior to member substitution on December 1, 2022, King's Daughters Medical Center began a construction and expansion project on the main hospital campus in Ashland, Kentucky to serve current and growing future patient volume.

This project includes constructing a new main entrance, emergency and imaging departments, additional and more accessible parking for patients and visitors and 75 exam/treatment rooms, including rooms designed for treating specialty care needs such as trauma, pediatrics, bariatrics and behavioral health. There will also be a new separate, covered entrance for ambulances and law enforcement.

As construction has progressed, there is an opportunity to expand the project scope to add more departments such as endoscopy. Additionally, the current imaging department will be relocated so it is more accessible to the new emergency department and patient rooms. The Royal Blue Health Board approved the revised project scope on April 24, 2024.

Trustee Case made a motion to accept FCR 19. Trustee Vance seconded the motion. The motion carried without dissent.

#### FCR 20 Construct Support Services Building (Environmental Quality Management Center) Capital Project

FCR 20 seeks approval of the initiation of the Construct Support Services Building (Environmental Quality Management Center) capital project. The Environmental Quality Management Center (EQMC) serves as the University's sole facility where all hazardous waste originating on campus is accumulated and processed per regulatory requirements prior to off-site shipment. This project will replace the existing facility, which is scheduled to be demolished due to the planned expansion of the Albert B. Chandler Hospital. The new facility will house Environmental Health and Safety Division staff and will ensure uninterrupted hazardous waste management operations and continued compliance with federal and state environmental regulations.

Trustee Melanson made a motion to accept FCR 20. Trustee Hornung seconded the motion. The motion carried without dissent.

#### FCR 21 Patent Assignment Report

FCR 21 seeks acceptance of the patent assignment report for the period January 1, 2024, to March 31, 2024.

Trustee McCoy made a motion to accept FCR 21. Trustee Boone seconded the motion. The motion carried without dissent.

#### F. Research Report

The floor was yielded to Dr. Lisa Cassis, vice president for research, to provide the research report. Dr. Cassis shared that research funding has grown 68 percent from 2015 to 2023. In 2014, the Board recommended that the institution grow research enterprises that address the needs of Kentuckians. The eight research priority areas that receive strategic investment funds are compelled to use those funds to support strategic research growth and talent.

As research grows at UK so does the impact on the Commonwealth's economy, supporting more than 4,900 jobs and more than \$325 million in labor income. In closing Dr. Cassis added that the Scholars@UK website provides a searchable platform for information to foster collaborations. This site highlights 2,800 UK researchers and is used by representatives from federal agencies and other sponsors around the globe.

G. Other business

Chair McCann asked if there was any other business to come before the Finance Committee.

H. Adjourn

Hearing no further business, the meeting was adjourned at 6:43 p.m.

Respectfully submitted,

Brenda Heeter  
Finance Committee Secretary