

Minutes of the Meeting of the Board of Directors
The University of Kentucky Research Foundation
Tuesday, May 27, 2025

The Board of Directors of the University of Kentucky Research Foundation met on Tuesday, May 27, 2025 via Zoom.

Meeting Opened

Dr. Ilhem Messaoudi, Acting Vice President for Research and Executive Director of the University of Kentucky Research Foundation joined the meeting via Zoom and called the meeting to order at 8:01 a.m. EST. Dr. Messaoudi asked Toni Smith, UKRF Secretary, to call the roll. A quorum was declared.

Roll Call

The following members of the Board of Directors were present: Rebecca McCulley, Janie Greer, Ron Geoghegan, Jack Supplee, Eugene Krentsel, Eli Capilouto, Ilhem Messaoudi, Eric Monday. Sidney Whiteheart joined the zoom after roll was called. Also present were: Penny Cox, Judy Duncan, Michele Schlake, James King, Tracy Peck, Stacy Gaylor, Alicia Gregory, Kristi Willett, Rob Theakston, Kathy Grzech, Michael Hart, Rodney Andrews, Ian McClure, Beth Potter, Chad Risko, Erin Haynes, George Ward, Helene Lake-Bullock, Kim Carter, Linda Dwoskin, Michael McGlure, Paige Brown, Susan Stark, Stephanie Beck, Elizabeth Johnson, Shan Wang, Jim Griffioen, Jay Blanton, Jeanie Kincer, Jeff Talbert and Katherine Hartmann.

Opening Remarks

Dr. Messaoudi extended a thank you to the board members for their attendance and to President Capilouto for his steadfast support of our research mission. She also thanked the Provost and Executive Vice President for Finance and Administration for their support, the Deans and Associate Deans of Research for their advocacy for their researchers, and the faculty, staff, and students who do research. Lastly, she thanked the Research Administration directors for their support of the research community.

Dr. Messaoudi invited President Capilouto to speak. He thanked the UKRF board members for their attendance, and their continued and steadfast support of the research mission at the university. President Capilouto acknowledged that we are gathered in complex and challenging times in higher education and that one word sums up what we are navigating: uncertainty. At the University of Kentucky our focus is steady. We are here for one purpose and that is to serve Kentucky; to improve lives and livelihoods through research that matters. This focus remains

clear and unwavering despite any headwinds. We serve Kentucky through research that addresses the most urgent issues facing our state: cancer to substance misuse and energy to economic development. We've built a research enterprise that fuels discovery and drives progress. It supports jobs and spurs innovation and improves lives across all 120 counties. We need to navigate this time thoughtfully and with care and by doing all that we can to protect the work and the people who make this progress possible. At the end of the day, it is about the impact we are making on communities across the state. It is the people of Kentucky who are counting on us.

President Capilouto turned the meeting back over to Dr. Messaoudi with an expression of deep gratitude for all that she has done since taking the helm of our research enterprise.

Minutes of Previous Meetings

Dr. Messaoudi reported that copies of the minutes for the June 4, 2024, meeting were available in the meeting materials pdf provided to the board members last week. After providing a few moments for review, she asked for any corrections or additions. There being none, Dr. Messaoudi called for a motion. Ron Geoghegan moved approval. Sidney Whiteheart seconded the motion, and it carried without dissent. [Click here to see the June 4, 2024 approved minutes \(pdf\).](#)

ACTION TAKEN: ☒ APPROVED ☐ DISAPPROVED

Report of the Nominating Committee

Eric Monday, Executive Vice President for Finance and Administration and Co-Executive Vice President for Health Affairs, presented the Report of the Nominating Committee as Chair of the Nominating Committee. He asked for any additional nominations, and none were presented. Ron Geoghegan moved approval, and Jack Supplee seconded the motion. The motion carried without dissent. [Click here to view the Report of the Nominating Committee \(pdf\).](#)

ACTION TAKEN: ☒ APPROVED ☐ DISAPPROVED

Report of the Treasurer

Penny Cox presented an overview of UKRF financial activities covering FY 2023-24 and FY 2024-25 through March 30, 2025. She highlighted that we received an unmodified or "clean" opinion for fiscal year 2024 for both our financial statements and our federal funds audit. Additionally, it was noted that our operating revenues for fiscal year 2023-24 were \$467.8 million, representing an increase of \$17.2 million or 3.8% over the previous year. Our operating

expenses were \$434.7 million, which is an increase of \$23.1 million or 5.6% over the previous year. For the current fiscal year, as of March 31, 2025, we have realized \$94.6 million in revenue. This represents 124% of our budgeted revenue estimate. Unrestricted expenses total \$87.0 million or 50% of the approved budget. [Click here to view the Report of the Treasurer \(pdf\).](#)

Report of the Vice President for Research

Dr. Messaoudi began her presentation by reminding us of and grounding us in our research mission to support and empower innovative research in all forms practiced across the campus, varied disciplines, and 70+ centers and institutes. She reminded us that UK faculty, staff and student researchers created, discover and apply new knowledge, and explore the most complex problems facing Kentucky, the nation and the world and that our research environment provides a rich training ground for the next generation of thinkers, creators, and leaders.

The Report of the Vice President for Research began with a brief overview of F&A reimbursement, how reimbursement for F&A costs are earned, and how these funds become the UKRF budget. Dr. Messaoudi provided a high-level review of current events noting significant changes to federal funding for diversity, equity and inclusion (DEI) research and the announcements of F&A caps by the National Institutes of Health (NIH), Department of Energy (DOE), and National Science Foundation (NSF). While these proposed rate changes are the subject of litigation, Dr. Messaoudi did state we expect some adjustments on indirects being codified in agency budgets for fiscal year 2026. She also stated that despite the uncertainty, we remain committed to advancing Kentucky through research.

Next, she provided an update on research progress across the university with both awarded grants and contracts and research and development (R&D) expenditures. Awards since fiscal year 2016 have grown at an annual rate of 5.57% for a total of 54.3% growth since fiscal year 2016. UK research and development expenditures have grown at an average annual rate of 7.1% and total growth of 73% since fiscal year 2016. The majority of the awards and expenditures were from federal grants. In the current fiscal year through April 30, 2025, awards are up by 7% when compared to the same period during fiscal year 2024.

Dr. Messaoudi then discussed the foundation budget as it relates to UK-PURPOSE, the institutional strategic plan. The first principle of UK-PURPOSE is putting students first, which is achieved through UKRF in support of The Graduate School and the Office of Undergraduate Research (OUR). UKRF supports graduate students who are classified as research assistants by providing funds to cover the tuition above the in-state rate. Over 500 graduate students benefit from this support. Support to the Office of Undergraduate Research (OUR) was used for undergraduates performing research with fellowships for research and travel. OUR organized the 19th annual showcase allowing over 500 students to present their research.

UK-PURPOSE includes the principle of taking care of our people and the UKRF budget supports this expectation through funding for Research Administration units. These units support principal investigators (PI) through the lifecycle of the grant. From identifying funding opportunities, to submission of proposals, proper management of funding awards, and submitting inventions for patent, the Research Administration staff are integral to research at the university. To further support our researchers, a new unit, Controlled Technology & Data Security, is being created to oversee export controls and sanction compliance.

UK-PURPOSE principle inspiring ingenuity is within the UKRF budget by way of support for several research program offerings, support for eight research priority areas (RPA) and UK Innovate. Research program offerings such as CURATE, Igniting Research Collaborations, UKinSPIRE, and conference support grants provide funding for seed projects and encourage cross-disciplinary collaboration. The RPAs focus on local relevance and impact on the Commonwealth. UK Innovate is also critical to inspiring ingenuity in research in their ability to train entrepreneurs, promote industry connections, and promote economic development.

Last but not least, Dr. Messaoudi highlighted activities that support the trust, transparency, and accountability, and many people, one community portions of UK-PURPOSE. Investments into infrastructure, open communication, and support of large programmatic grants ensure we are aligned with this pillar.

At the end of the presentation, Dr. Messaoudi asked for any questions or discussion before moving into the fiscal year 2025-26 budget presentation. Eugene Krentsel asked if we have tried to model different scenarios of overhead rates based on what several federal institutions are trying to impose on higher education to see what the impact would be and what strategic steps can be taken to mitigate the loss. Dr. Messaoudi responded that we have run multiple scenarios and are constantly evaluating what the potential impact could be and what we will do to make sure the important work happening here continues to happen. She stated that we are very aware of the proposed changes and that the situation changes daily. We are steadfast in our commitment to support graduate students, the next generation of undergraduate researchers, and to allow our researchers to pivot into new areas. We are being vigilant and are proceeding with caution and prudence, but not to the extent of being paralyzed because our mission is too critical for us to stay on the sidelines.

[Click here to view Dr. Messaoudi's UKRF Board of Directors 2024-25 Research Report presentation \(pdf\).](#)

Budget Presentation

Dr. Messaoudi indicated that copies of the proposed FY 2025-26 budget were available in the meeting materials pdf. She then presented the proposed budget, detailing each line item that indicated a change from the previous year. At the end of the presentation, Dr. Messaoudi called for any questions or discussion.

Dr. Messaoudi called for a motion to approve the FY25-26 UKRF budget. Jack Supplee moved approval and Ron Geoghegan seconded the motion. President Capilouto thanked Dr. Messaoudi and her team again. He stated we are in a time of uncertainty and that we are sticking to our principals to the extent possible. We have, over the past years, been able to accumulate some fund balances. We always look at those for investment and rainy days and this year we are satisfying both of those goals. Especially in being able to continue support of the next generation of investigators. He again thanked Dr. Messaoudi and voiced his support for the proposed budget. There being no further discussion, the motion carried unanimously.

[Click here to view the 2025-26 Approved UKRF Budget \(pdf\).](#)

ACTION TAKEN: ☒ APPROVED ☐ DISAPPROVED

New Business

Dr. Messaoudi read New Business Resolution #1, the Appointment of the FY25-26 Nominating Committee. [The full resolution can be found here.](#) The motion to approve was brought by Sidney Whiteheart and seconded by Ron Geoghegan. There being no discussion, the motion carried without dissent.

ACTION TAKEN: ☒ APPROVED ☐ DISAPPROVED

Additional Information

Dr. Messaoudi let everyone know that the following items were included their meeting binders. To view these informational items as a pdf, please click on the links below.

- [UKRF 2024 Form 990](#)
- [UKRF Audited Financial Statements for the 2023-24 Fiscal Year](#)
- [UKRF Financial Statement for Nine Months Ended December 31, 2024](#)
- [UKRF Financial Statement for Nine Months Ended March 31, 2025](#)
- [UK BOT Appointment of Janie Greer as UKRF Trustee Member](#)
- [UK BOT Appointment of Ilhem Messaoudi as UKRF Executive Director](#)

There being no additional business and all agenda items having been addressed, Dr. Messaoudi thanked everyone for their service, attendance and patience, and she declared the meeting adjourned.

Toni Smith
Secretary