

Minutes of the Meeting of the Board of Directors
The University of Kentucky Research Foundation
Wednesday, May 24th, 2017

The Board of Directors of the University of Kentucky Research Foundation met at 2:30 pm EST on Wednesday, May 24, 2017 in room 103 Main Building.

Meeting Opened

Dr. Lisa A. Cassis, Vice President for Research and Executive Director of the University of Kentucky Research Foundation called the meeting to order at 2:30 p.m. Dr. Cassis asked Jack Supplee to call the roll.

Roll Call

The following members of the Board of Directors answered the roll call: Nancy Schoenberg, Mark Meier, William Britton, Richard Kurzynske, Eli Capilouto, Tim Tracy, Lisa Cassis. Not present at the meeting were Mark Bryant, Henry Jackson, Michael Karpf, and Eric Monday. Jack Supplee announced that a quorum was present. Others in attendance: Jack Supplee, Susan Krauss, Eric King, Ian McClure, Martha Peterson, Kathy Grzech, Kim Carter, Nancy Ison, Jennifer Miles, Ronda Beck, Toni Smith.

Minutes of Previous Meetings

Dr. Cassis reported that copies of the minutes of the May 26, 2016 meeting were available in their notebooks. She asked for any corrections or additions. There being none, the minutes were approved. [Click here to see the May 26, 2016 approved minutes \(pdf\).](#)

ACTION TAKEN:

APPROVED

DISAPPROVED

Report of the Nominating Committee

On behalf of Eric Monday, Chair of the Nominating Committee, Provost Tim Tracy presented the following recommendation:

UNIVERSITY OF KENTUCKY RESEARCH FOUNDATION

Nominating Committee Report

May 24, 2017

BOARD OF DIRECTORS

Recommend Henry Jackson, Public Member, for a three-year term ending June 30, 2020.

OFFICERS OF THE FOUNDATION

President	Eli Capilouto, President, ex officio
Executive Director	Lisa A. Cassis, Vice President for Research
Vice President	Lisa A. Cassis, Vice President for Research
Secretary	Jack Supplee, Associate Director of U. K. Research Foundation
Treasurer	Susan Krauss, Treasurer

EXECUTIVE COMMITTEE OF THE FOUNDATION

Eli Capilouto, President, ex officio
Lisa A. Cassis, Executive Director, ex officio
Michael Karpf, Executive Vice President for Health Affairs, ex officio
Timothy S. Tracy, Provost, ex officio
Mark Meier, Department of Chemistry, Faculty Member
William C. Britton, Trustee Member

ACTION TAKEN:

APPROVED

DISAPPROVED

To be effective July 1, 2017

Report of the Treasurer

Susan Krauss, Treasurer, presented an overview of UKRF financial activities covering FY 2015-16 and FY 2016-17 through March 31, 2017. [Click here to view the Report of the Treasurer as a pdf.](#)

Report of the Vice President for Research

Dr. Cassis' report focused on the following areas:

- UK Strategic Plan for Research and Areas of Emphasis for the research enterprise
- Overview of Research at UK
- Negotiation and future impact of a new F&A rate for fiscal years 2018, 2019, and 2020
- New grant awards
- Changes to the Proposal Development Office and Office of Technology Commercialization and New Leadership in the Research Enterprise
- Implementation strategies and update on RB2
- Update on other activities within the Office of Research

[Click here to view Dr. Cassis' UKRF Board of Directors 2016-2017 Research Report presentation as a pdf.](#)

Members of the committee discussed future goals of UKRF and potential implementation strategies to increase extramural funding, including diversification of funding streams and opportunities.

Budget Presentation

Dr. Cassis presented the proposed FY 2017-18 budget, addressing each category of the budget that reflected a change from the FY 2016-17 budget.

The motion to approve the FY 2017-18 budget was approved.

[Click here to view the 2017-18 Approved UKRF Budget as a pdf.](#)

ACTION TAKEN:

APPROVED

DISAPPROVED

New Business

RESOLUTION #1

RECOMMENDATION:

That Eric Monday, Executive Vice President for Finance and Administration, Tim Tracy, Provost and Lisa Cassis, Vice President for Research be appointed to serve on the 2017-18 Nominating Committee, with Eric Monday serving as Chair and Lisa Cassis as Secretary.

ACTION TAKEN:

APPROVED

DISAPPROVED

RESOLUTION #2

RECOMMENDATION:

That the Corporation be authorized to make future additions to The University of Kentucky Research Foundation Research Innovation Quasi-Endowment Fund in conjunction with development and approval of the annual operating and capital budget, effective for fiscal 2018-19, as follows:

1. The Vice for President for Research (VPR) will determine the appropriate amount to be added to the quasi endowment each year based on the operating and capital needs of the Corporation;
2. The amount to be added to the quasi endowment will be limited to a maximum of five percent of annual budgeted revenues and will be reflected as a separate line item within the budgeted transfers and expenditures section of the annual budget; and
3. Quasi additions approved by the UKRF Board will be recommended to the University's Board of Trustees for final approval.

BACKGROUND:

At its May 2016 meeting, the University of Kentucky Research Foundation Board authorized creation of the University of Kentucky Research Foundation Research Innovation Quasi-Endowment Fund and transfer of \$5,000,000 from unrestricted royalty income. Subsequently, at its June 2016 meeting, the University of Kentucky Board of Trustees approved establishment of the quasi endowment and related \$5,000,000 transfer for participation in the University's endowment investment pool to provide future support of UKRF operations and research initiatives.

The quasi endowment was established in June 2016 and has grown to a market value of approximately \$5,300,000.

The recommendation is made to grow the value of the quasi endowment and provide a sustainable, growing income stream to support future research initiatives of the University.

ACTION TAKEN: APPROVED DISAPPROVED

Additional Information

A copy of the 2016 UKRF IRS Form 990, the audited 2016 Research Foundation Financial Statements, and the interim financial statements ending March 31, 2017 were included in the notebooks. To view these informational items as a pdf, please click on the links below.

[2016 UKRF IRS Form 990](#)

[Research Foundation 2016 Financial Statements](#)

[Research Foundation Interim Financial Statements ending March 31, 2017](#)

Before adjourning the meeting, Dr. Cassis thanked everyone for coming.

Jack Supplee
Secretary