

Minutes of
The University of Kentucky Research Foundation
Board of Directors Meeting
May 16, 2011

The Board of Directors of the University of Kentucky Research Foundation met in Room 103 Main Building, 3 p.m. on May 16, 2011. Dr. Lee Todd, Jr., President of the University of Kentucky Research Foundation called the meeting to order. The following members of the Board of Directors were in attendance: Dr. Hollie Swanson, Dr. Brent Seales, Ms. Penelope Brown, Mr. F. Richard Kurzynske, Mr. Henry Jackson, Dr. Lee T. Todd, Mr. Frank Butler, Dr. Kumble Subbaswamy, Dr. James W. Tracy, and Dr. Michael Karpf. Others in attendance: Mr. Jack Supplee, Ms. Angela Martin, Dr. Martha Peterson, Ms. Katherine Adams, Ms. Deborah Davis, Mr. Don Keach, Mr. Dan Wentz, Ms. Nancy Ison, Ms. Judy Duncan, and Ms. Kathy Stanwix-Hay.

Report of the President

Dr. Todd welcomed everyone and thanked the UKRF Board members for their commitment to UK's research mission. Additionally, he thanked Vice President for Research Jim Tracy and his team for the work done on behalf of UK. He also commented on the success of the weekend's open house and dedication of the new patient care pavilion.

Dr. Todd recognized the University's efforts to provide opportunities for students to engage with our faculty and become involved in research and creative discovery. He noted that the research opportunities our students receive differentiate their experiences from those at the regional institutions. Our undergraduates continue to show a strong presence at the National Conference for Undergraduate Research.

Dr. Todd noted that research expenditures have more than doubled over the last 10 years, from \$160 million to \$368 million. He commented on how successful our faculty has been in securing American Reinvestment and Recovery Act (ARRA) funds (total awards in excess of \$100 million). He also indicated that without ARRA funding for the state, our state appropriation would have been reduced even further. With the expectation that FY 12 federal research and development funding will be reduced and with the ARRA funding running out, UK will be facing a big challenge. A challenge, however, that Dr. Todd thinks UK is prepared to meet. He expressed complete confidence that we have the right people at UK to compete for these funds.

Dr. Todd reflected on the growth that has taken place over the past 10 years, not only in our research enterprise and increase in student enrollment, but also in the area of economic

development. He noted that for the second consecutive year, UK ranks first in creating start-up companies per \$10 million in research expenditures among its benchmark institutions. He also updated the board on recent activities at Coldstream, including the recent contract signed with Tempur-Pedic to expand their global headquarters. He informed the board that UK had received approval for a TIF district to expand the city center for Coldstream, which will breathe new life into our innovative research campus. He further noted that CAER won a competitive ARRA grant from the National Institute of Standards and Technology (part of the U.S. Department of Commerce) for construction of a new laboratory that will allow CAER to greatly expand its research capabilities devoted to Kentucky's renewable energy industries, including biomass and biofuels, electrochemical power sources (particularly capacitors and batteries for electric vehicles), and distributed solar energy technologies.

Dr. Todd believes that we have much to be proud of and, that from all perspectives and all parts of campus, our institution is excelling in all areas of research.

Dr. Todd reported that copies of the minutes of the May 4, 2010, meeting had been emailed to all board members and a copy was also in their notebooks. He asked for any corrections or additions. There being none, the minutes were approved.

ACTION TAKEN:

APPROVED

DISAPPROVED

Report of the Nominating Committee

Mr. Frank Butler, Chair of the Nominating Committee, presented the following recommendation:

UNIVERSITY OF KENTUCKY RESEARCH FOUNDATION
Nominating Committee Report
May 16, 2011

BOARD OF DIRECTORS

Recommend reappointment of Henry Jackson, Public Member for a three-year term ending June, 30, 2014.

OFFICERS OF THE FOUNDATION

President Eli Capilouto, President, ex officio

Vice President James W. Tracy, Vice President for Research, ex officio

Rankings; Grant and Contract Awards for the period FY 05- FY 10; FY 10 grant and contract expenditure information and direct appropriation totals for FY 06 - FY 10, noting the ban on such funding for FY 11. He provided information on categories of support funded by the UKRF budget indicating that 67 percent (\$31 million) of the FY 10 budget went directly to faculty and academic unit support. He presented data on F&A return to Departments and Deans and Faculty Start-up Commitments for FY 07 - FY 10 and realized F&A Income for FY 08 - FY 12 (Projected).

Please press CTRL and click [UKRF Board of Directors 2011 Research Report](#) to view Dr. Tracy's presentation as a pdf.

Budget Presentation

Dr. Tracy presented the proposed FY 11-12 budget. He summarized the various revenue sources, indicating that the major source, F&A recovery, is estimated to be \$43 million. This is a decrease from FY 10-11 budget estimate of \$44 million. Additionally, he described the various categories of faculty support funded through the UKRF budget.

Following the budget presentation, there was general conversation about the UKRF budget. Provost Subbaswamy noted that during the last few years, no reductions have been made in the amount of F&A funds returned to faculty and academic units even when general fund budgets have been cut.

ACTION TAKEN: APPROVED DISAPPROVED

Old Business

1. Approval of UKRF Executive Committee Actions;

Per Article IV, Section 3 of the UKRF By-laws titled Executive Committee, "The Committee shall keep minutes of all transactions and these shall be read at the meetings of the Board of Directors for approval." Attached for the Board's approval are the copies of the Executive Committee's Minutes of two separate Executive Committee Resolutions that were approved on July 1, 2010 and January 5, 2011.

Please press CTRL and click to view the [UKRF Executive Committee Resolutions](#).

ACTION TAKEN: APPROVED DISAPPROVED

2. Information Items

The University of Kentucky Board of Trustees approved the appointment of Erwin Roberts as a Trustee member of the UKRF Board of Directors for a three-year term ending June 30, 2013. See attached Board of Trustees NCR2 approved at the September 14, 2010 UK BOT meeting.

Please press CTRL and click to view the [UK BOT approved appointment](#) of Erwin Roberts as a pdf.

New Business

Resolution #1

That Frank Butler, Kumble Subbaswamy and James W. Tracy be appointed to serve on the 2011-12 Nominating Committee, with Frank Butler serving as Chair and James W. Tracy as Secretary.

BACKGROUND:

This is in accord with Article VI of the UKRF By-Laws.

ACTION TAKEN:

APPROVED

DISAPPROVED

Jim Tracy read the following resolution:

A RESOLUTION HONORING AND COMMENDING

LEE T. TODD, JR.

for his service to the University of Kentucky Research Foundation and the people of Kentucky

WHEREAS, Lee T. Todd, Jr. became the 11th President of the University of Kentucky on July 1, 2001, and has since served as the President of the University of Kentucky Research Foundation; and

WHEREAS, Dr. Todd has been committed to UK becoming a Top-20 Research University and has concentrated on helping UK achieve a greater level of national prominence while maintaining the institutional land-grant mission by supporting and improving the Commonwealth of Kentucky; and

WHEREAS, under his leadership UK's research grants and contract activity has grown from \$173.6 million in 2001 to \$337.6 million in 2010; and

WHEREAS, his dedication to our research mission led to \$235.5 million in private gifts matched by state dollars for a total contribution to the Research Challenge Trust Fund exceeding \$460 million; and

WHEREAS, the University of Kentucky fostered an environment for research and creative thinking, which led to a healthy number of patents and licensures among faculty and staff; and

WHEREAS, Dr. Todd emphasized the important role of a postsecondary institution in the economic development pipeline, thus creating the Office for Commercialization and Economic Development, which increased start-up company growth in Lexington and the Bluegrass region;

NOW, THEREFORE, BE IT RESOLVED, that the members of the University of Kentucky Research Foundation Board of Directors adopt this resolution on this 16th day of May, 2011, and express our individual and collective gratitude to President Lee T. Todd, Jr. for his exemplary service to the University of Kentucky Research Foundation and the University of Kentucky, and his devotion to the people of the Commonwealth of Kentucky.

Dr. Todd thanked the Board for the resolution and thanked everyone for attending. The meeting adjourned at approximately 4:10 p.m.

Jack Supplee
Secretary