

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
UNIVERSITY OF LOUISVILLE FOUNDATION, INC.

The Board of Directors of the University of Louisville Foundation, Inc. met on September 24 2002 in the Mary Bingham Room, University Club, Belknap Campus, with members present and absent as follows:

Present: Mr. Malcolm Chancey, Jr., Chairman
Mr. Morris Borowitz
Mr. Ulysses L. Bridgeman, Jr.
Mr. H. Scott Davis, Jr.
Mr. Burt Deutsch
Mr. Nathaniel E. Green
Dr. Joe Kutz
Ms. Sandy Metts Snowden
Mr. J. Chester Porter
Mr. Robert W. Rounsavall, III
Dr. James R. Ramsey
Mr. William G Wilcox

Absent: Mr. Larry Hayes
Mr. Charles Weisberg

Foundation
Legal Counsel: Mr. Kennedy Helm, Stites & Harbison
Mr. Mike Risley, Stites & Harbison

From the
University: Mr. Larry Owsley, Vice President for Finance & Administration
Mr. Joe Beyel, Vice President for Development and Alumni
Mr. Joe Gahlinger, Office of the Vice President for Finance &
Administration
Mrs. Kathleen M. Smith, Assistant Secretary
Mrs. Debbie Dougherty, Board Liaison

I. Call to Order

Having determined a quorum present, Chairman Chancey called the meeting to order at 12:20 p.m. and read the items on the consent agenda as follows:

Consent Agenda

- Minutes for June 25, 2002
- Minutes for August 7, 2002

From the Finance Committee:

- Action Item: Approval to Liquidate the NAM-INVESCO Mid-Cap Account and Move 100% of Proceeds to the Existing NAM-INVESCO Equity Account
- Action Item: Approval to Terminate the MFS Small Cap Growth Account and Invest 100% of Proceeds in a New Small Cap Money Manager, M. A. Weatherbie & Co.
- Action Item: Approval of \$100,000 Loan at 5% Interest Rate to Endowed Bioethics Chair

Hearing no objection, Chairman Chancey declared the consent agenda approved.

II. Appointment of Dr. James Ramsey as Acting President

Chairman Chancey introduced the Board's recommendation to employ Dr. James Ramsey as Acting President of the UofL Foundation, Inc. Mr. Davis made a motion, which Mr. Rounsavall seconded, to approve the

Chairman's recommendation that the Board of Directors of the University of Louisville Foundation, Inc., approve the appointment of James R. Ramsey to serve as Acting President of the Foundation, effective September 24, 2002, to carry out fundraising and to perform all duties and responsibilities as president of the University of Louisville Foundation or as defined by the Board. Further, the Chairman recommended that the Acting President be compensated at the same base salary as the former President.

The motion passed.

Chairman Chancey welcomed Dr. Ramsey as acting president of the University of Louisville Foundation, Inc. Dr. Ramsey expressed appreciation for the opportunity to serve. He recognized the philanthropic support of the Foundation has made a significant difference in the future of the University and pledged to work with the Board to continue moving the University toward its fundraising goals.

III. Appointment of Dr. Shirley Willihnganz as Vice President

Acting President Ramsey recommended the appointment of Dr. Shirley Willihnganz as Vice President of the Foundation. He recognized Dr. Willihnganz's 17 years experience with the University, specifically noting the term she served as interim dean of the College of Arts & Sciences and current term as acting provost, UofL's chief academic officer. He vowed to work closely with Dr. Willihnganz to assure continuity and compatibility of the Foundation's direction with the University's academic purposes. Mr. Davis made a motion, which Mr. Green seconded to approve the

President's recommendation that Shirley Willihnganz as Acting Provost of the University, be named Vice President and ex officio officer of the Foundation.

The motion passed.

IV. Action Item: Approval of Signature Authority

Chairman Chancey stated the signature authority resolution is routine and replaces Acting President Garrison with Acting President Ramsey, noting the remainder of the resolution as unchanged. Mr. Davis made a motion, which Mr. Wilcox seconded to approve

the Signature Authority Resolution (copy attached).

The motion passed.

V. Action Item: Approval of Establishment of Quasi-Endowments

Acting President Ramsey stated this recommendation authorizes the President to approve quasi-endowments up to \$100,000 and the Vice President for Development to approve quasi-endowments up to \$25,000. He reported such a delegation of authority allowed the administration to assemble a majority of current gifts into appropriate quasi-endowments for scholarships and other purposes. He further stated any endowment proposal in excess of \$100,000 is strategic and will come to the Board for approval to assure it carries out the Board's philanthropic vision. He also commented that this action would remove the small and routine requests from the Board's future agenda and would allow the Development Office to execute gifts rapidly and easily. Ms. Snowden made a motion, which Mr. Green seconded, to approve the

The President's recommendation that the Board of Directors delegate to the President of the Foundation the authority to approve, up to \$100,000, and to the Vice President for Development to approve, up to \$25,000, the establishment of quasi-endowments using private gifts.

The motion passed.

VI. Philanthropy Report

Vice President Beyel distributed the following items (copies attached):

- Summary of Philanthropic Support FY 2001 and FY 2002
- Summary of Philanthropic Cash FY 2001 and FY 2002
- Challenge for Excellence report

Vice President Beyel referred to the accumulated results of the last two years, noting the Foundation's good return on investment. He discussed the results of the recent internal audit, commending Mr. Barker and the Audit Services staff for an excellent job. Vice President Beyel noted the New Gifts and Pledges report indicates the number of donors by type and FASB.

In response to Chairman Chancey's inquiry concerning any remaining unmatched gifts, Vice President Beyel reported that all funds are matched. Vice President Beyel discussed the four focus points for this fiscal year:

- Cancer Center Campaign
- Belknap Research Building
- Bucks for Brains Chairs
- Our Highest Potential

Chairman Chancey thanked Vice President Beyel for the report.

VII. Report of the Nominating Committee

Chair Chancey asked Director Bridgeman as chair pro tem of the Nominating Committee to present nominations from the Nominating Committee. Mr. Bridgeman made a motion, which Mr. Rounsavall seconded, to approve the Nominating Committee's recommendation as follows:

Chairman	Malcolm B. Chancey, Jr.
Vice Chairman	J. Chester Porter
Treasurer	H. Scott Davis, Jr.
Secretary	Burt J. Deutsch
Assistant Treasurer	Susan D. Magness
Assistant Secretary	Kathleen M. Smith
Foundation Counsel	Stites & Harbison, Leslie Vidra

Executive Committee

Chairman	Malcolm B. Chancey
Ex. Officio	James R. Ramsey
	H. Scott Davis, Jr.
	Burt J. Deutsch
	J. Chester Porter

The motion passed.

VIII. Directors Only: Update on Litigation

Mr. Risley gave an update on current litigation.

IX. Adjournment

There being no further business to discuss, Mr. Rounsavall made a motion, which Ms. Snowden seconded, to adjourn the meeting at 12:47 p.m. The motion passed.

BOARD ACTION:

Passed X

Did not pass

Other

Asst. Secretary *Katalin M. Smith*