

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

In Open Session

The members of the University of Louisville Foundation Board of Directors met on Thursday, September 15, 2005 in the Library of the Chancey Center with members present and absent as follows:

Present: Mr. J. Chester Porter, Chairman
Mr. H. Scott Davis, Jr.
Ms. Donna Tinsley Denny
Mr. Burt Deutsch
Mr. Nathaniel Green
Ms. Joyce Hagen
Mr. Frank Hower
Dr. Joe Kutz
Dr. James Ramsey
Ms. Sandy Metts Snowden
Mr. Frank Weisberg
Mr. William Wilcox

Absent: Mr. Larry Hayes
Mr. Robert Rounsavall, III

Foundation Legal

Counsel: Mr. Kennedy Helm, Stites & Harbison
Mr. Ben Sanders, Stites & Harbison

From the

University: Dr. Shirley Willihnganz, Executive Vice President and Provost
Mr. Mike Curtin, Assistant Treasurer, ULF
Mr. Joe Beyel, Vice President for University Advancement
Mr. Larry Owsley, Vice President for Business Affairs
Ms. Susan Ingram, Budget Director
Ms. Susan Magness, Controller's Office
Mr. Joe Gahlinger, Controller's Office
Mr. Rex Davidson, CPA, Controller's Office
Mrs. Kathleen Smith, Assistant Secretary
Mrs. Debbie Dougherty, Board Liaison

I. Convene Meeting

Having determined a quorum present, Chair Porter called the meeting to order at 12:15 p.m.

II. Approval of Minutes of Regular Meeting, 6/23/05

Mr. Davis made a motion, which Mr. Hower seconded, to approve the minutes of June 23, 2005. The motion passed unanimously.

III. Report of Nominating Committee

President Ramsey, on behalf of the Nominating Committee, presented nominations for officers and new members. Ms. Denny made a motion, which Mr. Weisberg seconded, to approve the Nominating Committee's recommendations for 2005-06 officers as follows:

Chairman	J. Chester Porter.
Vice Chairman	Frank B. Hower, Jr.
Treasurer	H. Scott Davis, Jr.
Secretary	Burt J. Deutsch
Assistant Treasurer	Michael J. Curtin
Assistant Secretary	Kathleen M. Smith
Foundation Counsel	Stites & Harbison

Executive Committee

Chairman	J. Chester Porter
	James R. Ramsey
	Frank B. Hower
	H. Scott Davis, Jr.
	Burt J. Deutsch

And the appointment of Harry Jones for a three-year term as a community at-large director to fill the expired term of Dr. Joseph Kutz (through June 30, 2008).

And the appointment of David Huber for a three-year term as a community at-large director to fill the expired term of Mr. Larry Hayes (through June 30, 2008).

The motion passed unanimously.

IV. Action Item: Approval of Signature Authority

President Ramsey reported the request for signature authority was routine in nature and it authorized appropriate directors and staff to act as agents for the Foundation. Mr. Hower made a motion, which Ms. Snowden seconded, to approve the

Signature Authority Resolution (copy available upon request).

The motion passed unanimously.

V. Action Item: Approval of Deferred Compensation Plan Effective January 1, 2005

Chair Porter asked Secretary Deutsch for an update. Mr. Deutsch reported the deferred compensation plan responds to changes issued by the IRS. Changes in the Internal Revenue Code (IRC) have diminished the usefulness of the Foundation's Private Option Plan as a management retention tool for key personnel. The proposed Deferred Compensation Plan replaces the Private Option Plan, effective January 1, 2005, and incorporates to the new IRC regulations. The Private Option Plan will continue until all participants are vested and no longer eligible for continuation in the Plan; no new plan members will be enrolled. Mr. Deutsch acknowledged the work of Stites & Harbison in adopting the plan agreement. Mr. Helm explained the previous private option plan designated stock options to the plan

participants, which are no longer tax sheltered. Mr. Wilcox made a motion, which Mr. Davis seconded, to approve the

Board of Directors' authorization of the attached Deferred Compensation Plan (DCP) for key employees and designate the Foundation Executive Committee to serve as the DCP Administrator.

The motion passed unanimously.

VI. Action Item: Cardinal Park Loan Adjustment

President Ramsey reported the \$194,938 represents payments toward Cardinal Park by Mr. Owsley B. Frazier for facility enhancements, e.g., Lenny Lyles statue, and for operations of Cardinal Park gender equity sports (softball, field hockey, tennis, and volleyball). Overall, Mr. Frazier's contributions to Cardinal Park have exceeded his pledged commitment, but the UofL Athletic Association used Mr. Frazier's pledge - receivable as repayment for its Cardinal Park loan from the Foundation. This action recognizes Mr. Frazier's total giving and reduces the repayment schedule by an amount equivalent to Mr. Frazier's generous support of Cardinal Park operations. Mr. Hower made a motion, which Mr. Deutsch seconded, to approve the

Board of Directors' authorization to reduce the Cardinal Park loan to the UofL Athletic Association by \$194,938.

The motion passed unanimously.

VII. Report of the President

President Ramsey reviewed the University's progress in meeting its Challenge for Excellence goals. The average ACT scores for the University's freshman class has steadily increased from 21.5 in Fall 1999 to 23.9 in Fall 2005. UofL received a \$22 million federal grant to build a research center devoted to predictive medicine. Vice President Owsley stated construction contracts will be awarded in March, 2007, with a completion date of August, 2009. Mr. Owsley thanked the Foundation for its assistance with this project. Dr. Ramsey noted fundraising mini-campaigns and the cancer capital campaign are going well. He thanked Bob Rounsavall for his outstanding leadership with the cancer campaign. He also acknowledged Ms. Metts' leadership of the STAR campaign, her support for autistic and special needs children. UofL Athletics earned national rankings -- Volleyball ranked #9, and Football ranked 10 or 11 (AP and USA Today poll). The University's priorities continue to be Bucks for Brains, facilities, benchmark funding, and flexibility. Outreach programs, including Bowling Green, Paducah, Madisonville, Oldham County, Ashland, Northern Kentucky, Pikeville, Lexington, Frankfort, and Jefferson County, have been quite successful.

President Ramsey read the following resolutions. Mr. Hower made a motion, which Mr. Davis seconded, to approve:

Larry Hayes

WHEREAS, Larry Hayes, served as a member of the UofL Foundation Board of Directors since 2002;

WHEREAS, his leadership on this board had significant impact on the directions of the Foundation;

WHEREAS, his untiring commitment to the Shelby Campus Advisory Committee and other committee service demonstrated an unselfish example for his colleagues;

WHEREAS, his service on the Board of Overseers since 1992, serving as Chair from May 2000 to May 2002 and formerly as a member of the Board of Trustees (from 1987 to 1991) has won him the esteem and respect of his fellow directors;

NOW THEREFORE BE IT RESOLVED, that the Board of Directors of the University of Louisville Foundation, Inc. hereby expresses its sincere admiration and deep appreciation to Mr. Larry Hayes for the compassionate and insightful interaction during his service on the University of Louisville Foundation board of directors; and

BE IT FURTHER RESOLVED, that a copy of this Resolution, appropriately signed, be printed for formal presentation to our good friend and colleague, Mr. Larry Hayes.

Dr. Joseph Kutz

WHEREAS, Dr. Joseph Kutz, served as a member of the University of Louisville Foundation Board of Directors since 2002;

WHEREAS, his veteran leadership on this Board had significant impact on the directions of the Foundation;

WHEREAS, in his capacity as a member of the Board, he served faithfully and well on the Nominating Committee;

WHEREAS, his untiring commitment to community, throughout the university and the city, established an unselfish example for his colleagues;

WHEREAS, his reputation as a true friend of this foundation and the entire university family won him the esteem and respect of his fellow directors;

NOW THEREFORE BE IT RESOLVED, that the Board of Directors of the University of Louisville Foundation, Inc. hereby expresses its sincere admiration and deep appreciation to Dr. Joseph Kutz for the compassionate and insightful interaction during his service on the University of Louisville Foundation Board of Directors; and

BE IT FURTHER RESOLVED, that a copy of this Resolution, appropriately signed, be printed for formal presentation to our good friend and colleague, Dr. Joseph Kutz.

The motion passed unanimously.

VIII. Report of the Chair

Chair Porter thanked the Board for its vote of confidence and looked forward to working with each Board member in achieving the support of the President and University community. Chair Porter noted the University was off to a great start in the 2005 Fall semester and recognized the President's very aggressive agenda.

IX. Adjournment

The meeting adjourned at 1:55 p.m.

BOARD ACTION:

Passed X
Did not pass
Other

Asst. Secretary Katalin M. Smith