

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

In Open Session

Members of the University of Louisville Foundation board of directors met at 1:00 p.m., March 20, 2007, in the Library of the Chancey Center, with members present and absent as follows:

Present: Mr. J. Chester Porter, Chairman
Mr. Kevin Cogan
Mr. Burt Deutsch
Mr. Nathaniel Green
Ms. Joyce Hagen
Mr. D. Harry Jones
Dr. James Ramsey
Mr. Sam Rechter
Mr. Eddy Roberts
Mr. Robert Rounsavall, III
Ms. Sandy Metts Snowden
Mr. Frank Weisberg

Absent: Ms. Donna Tinsley Denny
Dr. Barbara Weakley-Jones
Mr. William G. Wilcox

Foundation Legal

Counsel: Mr. Kennedy Helm, Stites & Harbison

From the

University: Dr. Shirley Willihnganz, Executive Vice President and Provost
Mr. Mike Curtin, Vice President for Finance
Mr. Keith Inman, VP for Advancement
Mr. Joe Gahlinger, Director of Treasury Management
Mr. Rex Davidson, Controller's Office
Mrs. Debbie Dougherty, Board Liaison

Guests: Ms. Vickie Yates Brown
Mr. Steve Gailar

I. Convene Meeting

Having determined a quorum present, Chair Porter called the meeting to order at 1:00 p.m.

II. Consent Agenda

Approval of Minutes

- December 19, 2006

Mr. Roberts made a motion, which Mr. Rounsavall seconded, to approve the minutes of December 19, 2006. The motion passed unanimously.

From the Finance Committee:

- Information Item: Quarterly Investment Performance Report
- Information Item: Interim Financial Statements through December 31, 2006

Chair Porter noted the above items were for information only and asked Finance Committee Chair Deutsch for comment. Mr. Deutsch reported the Finance Committee met last week and reviewed the above reports in addition to interviewing potential new investment managers. Mr. Deutsch said an additional investment report will be included in future meetings materials which outlines individual performance of money managers and the allocations. Mr. Deutsch pointed out that since 1995, the Foundation's diversified portfolio has added \$165.1 million of wealth compared to the Cambridge Associates' College and University Median and \$129.4 million compared to the Actual Allocation Benchmark.

III. Update on Shelby Campus Development Board

Chair Porter asked Mr. Deutsch to report on the status of the Shelby Campus Development Board. Mr. Deutsch reported the Shelby Campus Development Board met in early March and had very productive meeting. The meeting included discussion with representatives from the Kentucky Transportation Cabinet. Mr. Deutsch said the Kentucky Transportation Cabinet has agreed to appropriate \$5.8 million to build roadway connections between US 60, Hurstbourne Lane, and Whipps Mill Road at the Shelby Campus. The University will contract engineers to design/build the roadways. Mr. Deutsch further noted the Board was seeking a master developer for this project. He observed the biosafety lab will begin construction in April. Mr. Deutsch also said the University is working with the Transportation Cabinet regarding the placement of traffic signals on Hurstbourne Parkway and Shelbyville Road.

President Ramsey reported that as part of the Museum Plaza legislation, the current legislative session is reworking finance laws. The University has met with State Budget Director Cowgill and his staff and noted both projects are in good shape.

III. Action Item: Approval of Establishment of Kittower Library Fund for Jewish Studies in Ekstrom Library

President Ramsey reported the Foundation, Inc. has received a gift of \$10,000 from the donor Lilian Kittower. The Vice President for University Advancement has recommended the funds be used to establish a quasi-endowment called the Art Kittower Library Fund for Jewish Studies in the Ekstrom Library. Fund expenditures shall be

restricted for the purchase of books, journals and reference materials on Jewish Studies and may include serials, electronic data or databases, as well as equipment or software. Mr. Deutsch made a motion, which Mr. Cogan seconded, to approve the

President's recommendation that the Board of Directors approve an exception to the minimum amount required to fund a quasi-endowment.

The motion passed unanimously.

IV. Report of the President

Legislative Session Update

President Ramsey reported the University's goals for this short legislative session were modest – reauthorization of the three capital construction projects to be funded from non-state funds, which the Governor vetoed in the previous legislative session. All state universities were affected by the gubernatorial veto. After a year of discussion, the House and the Senate have agreed to reauthorize the bonding authority for projects. The Governor is supportive. UofL's three projects are: 1) renovation of Miller Hall; 2) authorization of a downtown parking garage to serve the Health Sciences Campus; and 3) renovation of the medical and dental research building downtown. Dr. Ramsey also noted the University's first research building now is in need of renovation.

He said the federal government has taken a year off from any earmarks, citing Congress passed a continuing resolution to this effect. That action has cost the University \$25 million in earmarks - \$15 million for the research building. The University will use federal funding earmarked for the Medical Dental Research Building on the new research building. That was a change in the original request, which is the project in House Bill 327. Another project of interest which required no funding was a bond authority for the expansion of Papa Johns Cardinal Stadium. The University needs authorization from the General Assembly to move forward. In response to Ms. Hagen's inquiry if it would be helpful for board members to contact legislators, President Ramsey encouraged calls to legislators to work out their differences.

V. Report of the Chair

The Chair had no report.

VI. Adjournment

Mr. Deutsch made a motion, which Mr. Weisberg seconded, to adjourn the meeting at 1:25 p.m. The motion passed unanimously.

BOARD ACTION:

Passed X

Did not pass

Other

Asst. Secretary *Katalin M. Smith*