

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, Inc. Board of Directors met on Wednesday, September 20, 2007, in the Bingham Library of the Chancey Center with members present and absent as follows:

Present: Mr. J. Chester Porter, Chairman
Mr. Ulysses L. Bridgeman, Jr.
Mr. Kevin Cogan
Mr. Burt Deutsch
Ms. Joyce Hagen
Mr. D. Harry Jones
Dr. James Ramsey
Mr. Sam Rechter
Mr. Eddy Roberts
Mr. Robert Rounsavall, III
Mr. Frank Weisberg
Mr. William G. Wilcox

Absent: Ms. Sandy Metts Snowden
Dr. Barbara Weakley-Jones

From the University: Dr. Shirley Willihnganz, Executive Vice President and Provost
Mr. Larry Owsley, Vice President for Business Affairs
Mr. Mike Curtin, Vice President for Finance
Mr. Keith Inman, Vice President for
Ms. Susan Ingram, Director of Budgets
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. Consent Agenda

- Approval of Minutes of Regular Meeting, 8/31/07
- Information Item: Investment Performance Report

Chair Porter read the roll of consent agenda items. Mr. Deutsch made a motion, which Mr. Roberts seconded, to approve the consent agenda. The motion passed unanimously.

III. Action Item: Approval of \$10 Million Investment in RS Investments Global Natural Resources Strategy Fund

President Ramsey reported the Finance Committee endorsed this recommendation. In an effort to move closer to the 4.0% target allocation to Diversified Global Natural Resources, the Finance Committee recommends investing \$10 million in the RS Investments Global Natural Resources Strategy Fund, which will replace the State Street Global Advisors Dow Jones AIG Commodity Index fund. RS Investments is an actively managed fund that invests in a broad array of natural resource companies, including steel and forest products, but with a clear energy bias. Mr. Rechter made a motion, which Mr. Wilcox seconded, to approve the

Finance Committee's recommendation that the Board of Directors approve a \$10 million investment in RS Investments Global Natural Resources Strategy Fund contingent upon a favorable review of the investment management agreement by the Foundation's legal counsel.

The motion passed unanimously.

IV. Report of the Nominating Committee

President Ramsey, on behalf of the Nominating Committee, presented nominations for officers and new members. Dr. Ramsey made a motion, which Mr. Jones seconded, to approve the Nominating Committee's recommendations for 2007-08 officers as follows:

CHAIR	J. Chester Porter
VICE CHAIR	Burt Deutsch
TREASURER	Joyce Hagen
SECRETARY	Eddy Roberts
COUNSEL	Stites & Harbison
ASSISTANT SECRETARY	Kathleen Smith
ASSISTANT TREASURER	Michael Curtin

Executive Committee

Chairman	J. Chester Porter
Ex. Officio	James R. Ramsey
	Burt Deutsch
	Joyce Hagen
	Eddy Roberts

NEW MEMBERS/REAPPOINTMENTS:

The reappointment of Burt Deutsch, Frank Weisberg, and Kevin Cogan for a three-year term as community at-large directors (through June 30, 2010).

The motion passed unanimously.

V. Report of the President

President Ramsey thanked Mr. and Mrs. Kennedy Helm for hosting the recent gubernatorial reception at their home. The President then discussed his recent visit to Paducah, Kentucky, for the Fall Outreach Program. Dr. Ramsey said the focus of the Fall Outreach is to: 1) connect with alumni; 2) recruit students; 3) connect with legislators and policy makers; and 4) where possible visit with media, local press, etc. UofL hosted an alumni/student reception at the Four Rivers Center in Paducah, and then a wonderful two-hour performance that featured many of the University's students who played in Carnegie Hall; performers from the African American Theatre program; the creative writing program; etc. Some attendees remarked it was the best performance they had attended at the Four Rivers Center. Dr. Bob Meriwether, a former UK trustee chair, contributed \$3000 to help defray the cost of the event. Mr. Mike Livingston, a former UofL Trustee, followed with a commitment to cover the rest of the costs associated with our evening outreach.

Dr. Ramsey then appeared on the NBC affiliate in Paducah, met with representatives of the Paducah Sun; and visited Marshall County High School, from which the University has approximately 15 students. Dr. Ramsey noted Kentucky's average ACT score is 20.8; the ACT score for UofL's incoming freshman class is 24.3, and Marshall County students attending UofL have an average ACT score of 27.3.

Dr. Ramsey reported on the following:

- The University will host Dave Brubeck in concert on November 10; the University will provide complimentary tickets to board members.
- The Frederick Hart exhibit is on campus; the University will provide books to each board member to commemorate this phenomenal exhibit that Provost Willihnganz has arranged.
- The University's graduation rate is 44%, which is a 37.5% increase over previous years. The University's plan is to reach 60%.

Dr. Ramsey said the rumors are true - Florida State has been trying to recruit Tom Jurich. Dr. Ramsey has been working with Mr. Jurich over the last several months to ensure that he stays in a UofL athletic leadership position for a long

time. Dr. Ramsey confirmed working to restructure Vice President Jurich's contract with his incentives and moving some deferred compensation to base.

The President reported the University submitted the TIF application to state; the staff in the Revenue and Finance Cabinet have reviewed it. Dr. Ramsey expressed optimism that the application will be submitted to the TIF Commission on October 25. Due to the complexity involving 38 pieces of property, the state required the University to submit 38 separate applications. Approval by the TIF Commission would mean a great deal to the University, noting it is a key component in financing the Health Sciences master plan. President Ramsey recognized the phenomenal job by Ms. Vickie Yates Brown in orchestrating this proposal, as well as several people helping with the application process.

Chair Porter thanked President Ramsey for an excellent report.

VI. Report of the Chair

Chair Porter thanked the Board members for its confidence and looked forward to working with each board member to achieve the support of the President and the University in the community. The University has accomplished a lot over the past year and is off to an excellent start.

VII. Other Business

Vice President Inman reported first quarter fundraising totaled \$34 million in gifts, compared to \$6 million last year. The University is in the early stages of planning a capital campaign. Mr. Inman will discuss the campaign's goals at a future meeting. President Ramsey thanked Mr. Inman for his leadership, recognizing Mr. Inman's efforts to rebuild the infrastructure. A press conference for 2:00 p.m. today will announce the second largest grant in the University's history, a \$20.5 million grant to the School of Education.

VIII. Adjournment

Mr. Jones made a motion, which Mr. Rounsavall seconded, to adjourn the meeting at 12:45 p.m. The motion passed unanimously.

BOARD ACTION:

Passed X
Did not pass
Other

Asst. Secretary Katalin M. Smith