

Minutes of the Annual Meeting of the University of Louisville Foundation, Inc. Board of Directors

In Open Session

Members of the University of Louisville Foundation, Inc. Board of Directors met at 12:10 p.m. on Tuesday, September 1, 2009, in the Jefferson Room, Grawemeyer Hall, Belknap Campus, with members present and absent as follows:

Present: Mr. J. Chester Porter, Chairman
Mr. Kevin Cogan
Mr. Owsley B. Frazier
Dr. Salem George
Ms. Joyce Hagen
Mr. D. Harry Jones
Dr. James Ramsey
Mr. Eddy Roberts
Mr. Robert W Rounsavall, III
Mr. Frank Weisberg
Mr. William G. Wilcox

Absent: Mr. Burt Deutsch
Mr. Sam Rechter
Dr. Barbara Weakley-Jones
Vacant Trustee Director

Foundation Legal

Counsel: Mr. Kennedy Helm, Stites & Harbison

Guests: Dr. Roland Valdes, Jr., PGxL Laboratories
Dr. Mark Linder, PGxL Laboratories
Dr. Kristen Reynolds, PGxL Laboratories
Mr. Brad Esarey, PGxL Laboratories
Mr. Bob Gunnell, Peritus Publications

From the

University: Dr. Larry Cook, EVP Health Affairs
Mr. Keith Inman, VP University Advancement
Mr. Larry Owsley, VP BA
Ms. Susan Ingram, Director of Budgets
Mr. Joe Gahlinger, Controller's Office
Mrs. Kathleen Smith, Assistant Secretary
Mrs. Debbie Dougherty, Board Liaison

I. Call to Order

Having determined a quorum present, Chair Porter called the meeting to order at 12:10 p.m.

II. Consent Agenda

Approval of Minutes, June 9, 2009

From the Finance Committee

- Information Item: Investment Performance Report
- Action Item: Approval of Investment in the Wellington Diversified Inflation Hedge

Chair Porter read the roll of consent agenda items. Hearing no objection, Mr. Jones made a motion, which Mr. Rounsavall seconded, to approve the consent agenda. The motion passed.

III. Report of the Nominating Committee

President Ramsey reported the Nominating Committee met. President Ramsey moved that the following nominations for officers for 2009-10 be approved. Dr. George seconded the nomination.

Chairman	J. Chester Porter
Vice Chairman	Burt Deutsch
Treasurer	Joyce Hagen
Secretary	Eddy Roberts
Assistant Treasurer	Michael J. Curtin
Assistant Secretary	Kathleen M. Smith
Foundation Counsel	Stites & Harbison

	<u>Executive Committee</u>
Chairman	J. Chester Porter
Ex Officio	James R. Ramsey
	Burt Deutsch
	Joyce Hagen
	Eddy Roberts

The motion passed.

Chair Ramsey noted the expiring terms. Mr. Weisberg made a motion, which Ms. Hagen seconded, to approve the

Reappointment of Joyce Hagen, Sam Rechter, Bob Rounsavall, and Bill Wilcox for a three-year term as community at-large directors (through June 30, 2012).

Appointment of Marie Abrams for a three-year term as a community at-large director (through June 30, 2012).

The motion passed.

IV. Report of the President

President Ramsey introduced Dr. Roland Valdes. A graduate of UofL, Dr. Valdes is vice president of PGxL and Professor of Pathology in the Medical School. PGxL is comprised of scientists and business associates. Dr. Valdes said the promise of pharmacogenetic testing predicts the right dose of the right drug for the patient. Dr. Valdes explained intelligent use of pharmacogenetics can significantly improve patient care when administering warfarin. PerMIT:Warfarin now provides a simple and accurate way to guide therapeutic decisions and reduces trial and error in patient dosing. Dr. Valdes explained genetic testing is PGxL's first priority, with a three to five day turnaround by the lab. PGxL Labs provides caregivers the most accurate and timely pharmacogenetic tests and information possible. Adverse drug reactions (ADR) pose one of the leading causes of death in the United States. Warfarin is the most commonly prescribed anticoagulant for the treatment and prevention of thromboembolic events. Warfarin is the third most common cause of ADRs, accounting for 10.5% of ADR hospital admissions. Pharmacogenetic testing can significantly reduce the chances of an ADR by providing physicians with a roadmap for treating each patient as an individual.

After launching the business three years ago, PGxL now employs eight full time, five of whom are contract workers, and has generated over \$4 million in grants. PGxL has achieved national presence while working in consultation with ARUP Laboratories, based at the University of Utah. ARUP has 2700 employees and has been in business for 20 years; the CEOs are pathologists.

PGxL is developing INR management software. The software will help with testing in the areas of

- Cardiovascular
- Oncology
- Respiratory
- Behavioral health
- Pain management

PGxL's path to growth:

- expand PGxL molecular into a referral lab for high end molecular diagnostics
- Leverage local and regional markets
- Target high use medical specialties as they adopt molecular diagnostics
- Provide the tools to enable the transition of molecular diagnostic information to actionable therapies

Dr. Valdes noted that in 2008 PGxL was the fastest growing lab service – up 35%. In 2010, the national marketing for laboratory services will be \$8 billion. The Kentucky market generates \$100-\$120 million and approximately \$20-\$30 million of those services must leave Kentucky.

Projected revenue and employment show tremendous growth potential. PGxL hopes to move into the new Haymarket research building. Its mission is to provide solutions for personalized medicine based on the intelligent use of clinical lab information. Dr. Valdes recognized his company has very few competitors and it is critical to be the first to the market with this testing. PGxL is partnering with ARUP, one of the most respected labs in country. Dr. Valdes introduced his team and thanked board members for the opportunity to come and speak about his company.

Update from the President

President Ramsey discussed the current national economic situation and its impact on the state of Kentucky. He noted the many challenges the University faced. Despite the state budget cuts, the University continues to make progress in reaching premier metropolitan research university status. Some highlights include:

- Freshman class average ACT scores:
 - 2009 – 24.5 (preliminary)
 - 1998 – 21.8
- State average – 20.8 (19.4)
- National average – 21.2
- More students from outside Jefferson County than inside attend the University

Despite the budget cuts, he highlighted following statistics about the University’s graduates

- 1998 – 1,734 degrees awarded
- 2009 – 2,428 degrees awarded
 - Up 40% (694 students) since beginning of reform
 - 2020 goal – 3,074
- Graduation rate increased to 46%
 - 2020 Goal – 60%
- 7 Fulbright Scholars in 2009; 3rd consecutive year to achieve this

Despite the state budget cuts, the University received \$140 million in total grants (in 1998, the University received \$39 million). The 2020 goal is \$400 million.

Despite the state budget cuts, the University continues to make progress in “mind to marketplace” with startup companies and patents. Dr. Ramsey noted

	1998	2008	2020 Goal
Startup Companies (cumulative)	1	22	34
Patents (cumulative)			
Applications filed	151	722	1,064
License Option Agreements (cumulative)	17	73	110

Although the state budget cuts have been discouraging, the University continued to help the community and state by creating the Conn Center for Renewable Energy Research and Environmental Stewardship, and working with the Argonne National Laboratory. President

Ramsey highlighted current construction projects which include the Louisville Arena, ShelbyHurst, and Haymarket. He referenced the University's seven strategies to achieve the mandate:

1. Reengineer operations
2. Convert underperforming assets to fully performing assets
3. Increase fundraising
4. Enhance clinical income (460 physicians)
 - a. Private Practice Plan (PPP)
 - b. University of Louisville Hospital
5. Develop partnerships
6. Improve contract research/commercializing
7. Being creative (e.g., TIF)

Although the University has been fiscally challenged, the President recognized its intense focus to move forward and thanked board members for their leadership.

President Ramsey read the following resolution into the record. Dr. George made a motion, which Mr. Jones seconded, to approve the following resolution

Dr. Barbara Weakley-Jones

WHEREAS, Dr. Barbara Weakley-Jones served as a member of the UofL Foundation Board of Directors since 2006;

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

WHEREAS, her service on the Board of Overseers since 1999, and a senior member since 2005, while serving on various committees and co-chaired Student Recruitment and Retention Committee provided a tremendous insight to the Board;

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. Barbara Weakley-Jones for the compassionate and insightful interaction during her 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. Barbara Weakley-Jones.

The motion passed.

V. Report of the Chair

The Chair had no report.

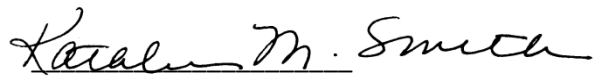
VI. Adjournment

Mr. Frazier made a motion, which Mr. Rounsavall seconded, to adjourn the meeting at 1:15 p.m. The motion passed.

Certificate

I certify that I am the duly qualified Assistant Secretary of the University of Louisville Foundation Board of Directors, that the above excerpt is a true and correct excerpt of the Minutes of the meeting of said Board held September 1, 2009, that the said Minutes were approved by the Board on December 1, 2009, and that the actions taken are still in force and effect.

Dated this 14th day of December, 2009.

A handwritten signature in black ink that reads "Katalin M. Smith". The signature is written in a cursive style with a horizontal line underneath the name.

Assistant Secretary
University of Louisville Foundation
Board of Directors