

MINUTES OF THE REGULAR MEETING OF THE ULH, INC., BOARD OF DIRECTORS

In Open Session

Members of the ULH, Inc., Board of Directors met on Monday, March 8, 2010, at 12 Noon
In the Mary Bingham Room, Chancey Center, Belknap Campus, University of Louisville, with
members present and absent as follows:

Present: Mr. J. Chester Porter, Chairman
Mr. Burt Deutsch
Mr. Owsley Frazier
Dr. Salem George
Dr. James Ramsey
Mr. Eddy Roberts
Mr. Robert W Rounsavall, III
Dr. William Selvidge
Mr. Frank Weisberg

Absent: Mr. Kevin Cogan
Mr. Owsley Frazier
Ms. Joyce Hagen
Mr. Harry Jones
Mr. Sam Rechter
Vacant At Large Director (Abrams)
Mr. William Wilcox

Foundation Legal

Counsel: Mr. Kennedy Helm, Stites & Harbison

Guests: Mr. Steve Gailar, Metacyte
Mr. Bob Gunnell, Peritus Publications

From the

University: Dr. Shirley Willihnganz, Executive Vice President and Provost
Dr. Larry Cook, EVP Health Affairs
Dr. William Pierce, Interim Executive Vice President for Research
Mr. Mike Curtin, Vice President for Finance
Mr. Keith Inman, VP University Advancement
Mr. Larry Owsley, Vice President for Business Affairs
Mr. Joe Gahlinger, 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 Noon.

II. Approval of Minutes, September 4, 2009

Mr. Deutsch made a motion, which Mr. Roberts seconded, to approve the minutes of September 4, 2009. The motion passed.

III. Report of Nominating Committee

President Ramsey reported the Nominating Committee, comprised of Mr. Frank Weisberg, Mr. Burt Deutsch and President Ramsey, met. The Nominating Committee recommends the appointment of Margaret Handmaker as community at large director to fill the unexpired term, ending June 30, 2012, vacated by Marie Abrams, who was recently appointed by the Governor to serve as a trustee. Mr. Roberts seconded the nomination. The motion passed.

IV. Action Item: Authorization of Audit Committee and Resolution to Amend By-laws

President Ramsey reported with recent changes in the IRS Code, any governing board of a non-for-profit corporation must review the corporation's submission of its 990. Also, for a while, the Finance Committee has been carrying out the functions of an audit committee, but it is best practices to have separate committees. The establishment of an audit committee allows the proposed delegated (above) functions to be carried out for the Board. Mr. Deutsch made a motion, which Mr. Rounsavall seconded, to approve the following recommendation:

In order to establish an audit committee of the Board of Directors, the Chair recommends that the Board adopt the Amendment to the By-Laws that is attached hereto. The scope of the Audit Committee, as set forth in the Amendment, is as follows:

- **Approve annual audited financial statements**
- **Approve the annual IRS Form 990 Submission**
- **Monitor the annual completion of board members' conflict of interest statements**
- **Meet annually with the external auditors**

RESOLUTIONS:

RESOLVED, that the Board of Directors hereby adopts the Amendment to the By-Laws of the Corporation attached hereto.

FURTHER RESOLVED, that individuals are hereby appointed as the initial members of the Audit Committee to serve until their successors are appointed or until they shall resign or shall be removed with or without cause by the Board of Directors.

FURTHER RESOLVED, that the Corporation's officers be, and they hereby are, authorized and directed to take all steps and do all things that they may deem necessary, desirable or appropriate to carry out the aforesaid resolutions.

The By-Laws of ULH, Inc. are hereby amended as follows:

1. A new Section 4.5 is hereby added to Article IV of the By-Laws, and shall read in its entirety as follows:

“Section 4.5 Audit Committee.

There shall be an Audit Committee which shall be composed of the members of the Audit Committee of the Board of Directors of the University of Louisville Foundation, Inc. The member of the Audit Committee whom is a member by virtue of serving as the Chairman of the Committee on Finance of the University of Louisville Foundation, Inc. shall serve ex officio. The Audit Committee shall be responsible for, and shall have and may exercise all of the authority of the Board in, reviewing and approving the annual financial audit of the Corporation and the Corporation’s annual Form 990, Return of Organization Exempt from Income Tax. The Audit Committee shall also have general supervision over conflict of interest compliance. The Audit Committee shall meet at least once annually with the Corporation’s external auditor to review the Corporation’s annual Form 990, Return of Organization Exempt from Income Tax.”

The motion passed.

V. Adjournment

Mr. Roberts made a motion, which Dr. George seconded, to adjourn the meeting at 12:10 p.m. The motion passed.

BOARD ACTION:

Passed X

Did not pass

Other

Asst. Secretary Katalin M. Smith