

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

In Open Session

Members of the University of Louisville Foundation, Inc. Board of Directors met at 1:55 p.m. on July 10, 2015, in the UofL Foundation Board Room, Cardinal Station, with members present and absent as follows:

Present: Dr. Robert Curtis Hughes, Chair
Dr. Larry Benz
Mr. Jonathan Blue
Mr. Junior Bridgeman
Mr. Chuck Denny
Dr. Salem George
Ms. Joyce Hagen
Ms. Margaret Handmaker
Dr. Mark Lynn
Mr. Frank Minnifield
Dr. Jody Prather
Dr. James R. Ramsey
Dr. William Selvidge
Mr. Frank Weisberg

Absent: Judge Rebecca Jackson

From Legal
Counsel: Mr. Larry Droege, Stites & Harbison

From the
Foundation: Dr. Neville Pinto, Interim Executive Vice President and University Provost
Dr. William Pierce, Vice President
Mrs. Kathleen Smith, Assistant Secretary
Mr. Burt Deutsch, Consultant
Mr. Mike Kramer, Dir., Investments and Financial Management
Ms. Susan Magness, Foundation Financials
Mr. Justin Ruhl, Foundation Accounting Supervisor
Mr. Jason Tomlinson, Assistant Treasurer

From the
University: Dr. Emily Bingham, Trustee
Mr. Bruce Henderson, Trustee
Mr. Keith Inman, VP for University Advancement
Ms. Leslie Strohm, VP for Strategy and General Counsel
Mr. Michael Kramer, Dir., Investments & Financial Management
Ms. Becky Simpson, Sr. Assoc. VP for Communications and Marketing

Ms. Susan Magness, Assistant Controller
Mr. Justin Ruhl, Director, Foundation Accounting Operations
Ms. Trisha W. Smith, Deputy Chief of Staff
Mr. Jake Beamer, Boards Liaison

Guests: Ms. Sandy Metts Snowden (via telephone)

Other: Mr. Tim Mulloy, Peritus
Mr. Kevin Borland, Peritus

I. Call to Order

Having determined a quorum present, Chairman Hughes called the meeting to order at 1:55 p.m.

II. Consent Agenda

Chairman Hughes read the consent agenda as follows:

Consent Agenda Hughes

- **Approval of Minutes of Regular Meeting, March 31, 2015**
- From the Finance Committee**
 - **Action Item: Approve FY 2016 Operating Budget**
 - **Action Item: Resolution Regarding Acquisition of Property**
 - **Action Item: Resolution Regarding Real Estate Foundation**

Hearing no objection, Ms. Hagen made a motion, which Mr. Denny seconded, to approve the Consent Agenda.

The motion passed.

III. Report of the Nominating Committee

President Ramsey recommended the following reappointments with terms ending June 30, 2018:

Reappoint: **Junior Bridgeman**
 Joyce Hagen
 Margaret Handmaker
 Mark Lynn

Mr. Blue made a motion, which Dr. Selvidge seconded, to approve the recommendation. The motion passed.

IV. Report of the Chair

Chairman Hughes asked Mr. Bridgeman to present his report from the ad hoc committee that reviewed compensation issues. The committee consisted of Junior Bridgeman, Chair, Margaret Handmaker, Bruce Henderson, and Sandy Metts Snowden.

Mr. Bridgeman reported the committee reviewed the continuing involvement of university Trustees as Foundation members in board actions taken by the UofL Foundation. The committee's PowerPoint is attached. Ad hoc committee members Handmaker, Henderson, and Metts Snowden supported the findings of the report.

Ms. Handmaker, who reviewed the minutes of the Board of Trustees and the UofL Foundation, stated that at least four trustees have been on the Foundation Board for the past 45 years and have participated in all ULF Board meetings.

Dr. Lynn departed the meeting at 2:17 p.m.

Chairman Hughes noted in 2011, the Trustees Compensation Committee (when we charged that group) and the Foundation Executive Committee took action to ensure Dr. Ramsey's compensation was at the 60th percentile or higher compared to Big East and CPE benchmarks for presidential compensation.

The Chairman stated UofL is fortunate to have outstanding and consistent leadership when the national average for a university president is 5 years in office, thus making turnover detrimental to organizational momentum. (A transcript of the Bridgeman Report and complementary discussion are posted to the UofL Foundation website and attached to these minutes.)

Chairman Hughes thanked the President and his team for their leadership. He then thanked the committee for its deliberation. Mr. Denny made a motion, which Dr. Prather seconded, to approve the report of the ad hoc committee.

The motion passed unanimously.

V. Approval of Resolution Regarding CMB, LLC

Mr. Droege briefed the Board on a resolution to create a wholly-owned subsidiary of the Foundation that support (1) the University of Louisville Cardinal Marching Band; (2) the UofL Cardinal Girl and twirlers; (3) the University of Louisville Cardinal Pride Pep Band; (4) the University of Louisville Ladybirds Dance Team; (5) the University of Louisville Cheerleaders, (6) the University of Louisville Cardinal Bird, and other spirit organizations of the University of Louisville. The LLC will raise revenue to fund scholarships and expenses for current and prospective members of these spirit groups and promote the quality of these student groups.

Dr. Benz made a motion, which Dr. Selvidge seconded, to approve the following resolution:

**RESOLUTIONS OF THE BOARD OF
DIRECTORS OF THE UNIVERSITY OF LOUISVILLE FOUNDATION,
INC.,
REGARDING CMB, LLC**

July 10, 2015

WHEREAS, the University of Louisville Foundation, Inc. (the “Foundation”) desires to create a wholly-owned subsidiary (the “CMB Subsidiary”) that will partner with the University of Louisville Cardinal Marching Band including the UofL Cardinal Girl (twirler), the University of Louisville Cardinal Pride Pep Band, the University of Louisville Ladybirds Dance Team, the University of Louisville Cheerleaders, the University of Louisville Cardinal Bird, and other spirit organizations of the University of Louisville (each a “Transaction”) to raise funds for scholarships for current and prospective members of the University of Louisville Cardinal Marching Band;

WHEREAS, the CMB Subsidiary will be managed on a day to day basis by the Assistant Director of Bands/Assistant Director of the Cardinal Marching Band, with assistance from Foundation employees;

WHEREAS, the Board of Directors of the Foundation deems it to be in the best interest of the Foundation to form the CMB Subsidiary; and

WHEREAS, the Board of Directors of the Foundation, in its capacity as the Sole Member of the CMB Subsidiary, deems it to be in the best interest of the CMB Subsidiary to enter into the Transactions.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Foundation hereby authorizes the officers (each an “Authorized Officer” and collectively, the “Authorized Officers”) of the Foundation, acting together or individually, to execute and deliver any and all documents required of the Foundation to form the CMB Subsidiary (collectively, the “CMB Transactions”), including, without limitation, articles of organization, operating agreements, and all other documents, instruments and certificates as any such Authorized Officer shall, in their sole discretion, deem necessary, convenient or desirable to evidence the CMB Transactions (collectively, the “CMB Documents”), in such form and with such changes, additions, deletions and/or amendments to the CMB Documents as may be approved by any such Authorized Officer, such approval to be conclusively evidenced by the execution thereof by such Authorized Officer, and when so executed, such CMB Documents, as modified or amended, shall be binding and enforceable against the Foundation;

FURTHER, RESOLVED, that any and all CMB Documents previously or hereafter executed and delivered on behalf of the Foundation in connection with the CMB Transactions and pursuant to the foregoing resolutions shall be deemed to be the act and deed of the Foundation and shall be binding and enforceable against the Foundation in all respects;

FURTHER RESOLVED, that all actions taken previously or hereafter by the officers of the Foundation, with respect to the preparation, execution and delivery of the CMB Documents, and all other actions taken in connection with the CMB Transactions referred to by the foregoing resolutions be, and they hereby are, in all respects, approved, ratified and confirmed; and

FURTHER RESOLVED, that the Board of Directors of the Foundation, in its capacity as the Sole Member of the CMB Subsidiary, hereby authorizes the Authorized Officers, acting together or individually, to execute and deliver any and all documents required to carry out the Transactions, including, without limitation, performance agreements, certifications, representation letters and all other documents, instruments and certificates as any such Authorized Officer shall, in their sole discretion, deem necessary, convenient or desirable to evidence a Transaction (collectively, the “Transaction Documents”), in such form and with such changes, additions, deletions and/or amendments to the Transaction Documents as may be approved by any such Authorized Officer, such approval to be conclusively evidenced by the execution thereof by such Authorized Officer, and when so executed, such Transaction Documents, as modified or amended, shall be binding and enforceable against, as applicable, the Foundation and the CMB Subsidiary;

FURTHER, RESOLVED, that any and all Transaction Documents previously or hereafter executed and delivered on behalf of, as applicable, the Foundation or the CMB Subsidiary in connection with a Transaction and pursuant to the foregoing resolutions shall be deemed to be the act and deed of, as applicable, the Foundation and the CMB Subsidiary and shall be binding and enforceable against, as applicable, the Foundation and the CMB Subsidiary in all respects; and

FURTHER RESOLVED, that all actions taken previously or hereafter by the officers of the Foundation, with respect to the preparation, execution and delivery of the Transaction Documents, and all other actions taken in connection with a Transaction referred to by the foregoing resolutions be, and they hereby are, in all respects, approved, ratified and confirmed.

The motion passed.

VI. Approval of Resolution Regarding IPR, LLC.

Dr. Pinto briefed the Board on a resolution to create a wholly-owned subsidiary of the

Foundation that will enter into joint ventures with profit and non-profit entities to aid in the development of the Institute for Product Realization (IPR).

He then introduced Venkat Venkatakrishnan, who presented the Board with information about First Build and its relationship with the IPR. He and Dr. Pinto then fielded question from the board.

Dr. Bingham departed the meeting at 2:42 p.m.

Mr. Denny made a motion, which Dr. Selvidge seconded, to approve the following resolution:

**RESOLUTIONS OF THE BOARD OF
DIRECTORS OF THE UNIVERSITY OF LOUISVILLE FOUNDATION, INC.,
REGARDING THE INSTITUTE FOR PRODUCT REALIZATION**

July 10, 2015

WHEREAS, the University of Louisville Foundation, Inc. (the “Foundation”) desires to create a wholly-owned subsidiary (the “IPR Subsidiary”) that will enter into joint ventures (each a “Joint Venture Transaction”) with profit and non-profit entities to aid in the development of the Institute for Product Realization (the “Institute”);

WHEREAS, the Board of Directors of the Foundation deems it to be in the best interest of the Foundation to form the IPR Subsidiary; and

WHEREAS, the Board of Directors of the Foundation, in its capacity as the Sole Member of the IPR Subsidiary, deems it to be in the best interest of the IPR Subsidiary to enter into the Joint Venture Transactions.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Foundation hereby authorizes the officers (each an “Authorized Officer” and collectively, the “Authorized Officers”) of the Foundation, acting together or individually, to execute and deliver any and all documents required of the Foundation to form the IPR Subsidiary (collectively, the “IPR Transactions”), including, without limitation, articles of organization, operating agreements, and all other documents, instruments and certificates as any such Authorized Officer shall, in their sole discretion, deem necessary, convenient or desirable to evidence the IPR Transactions (collectively, the “IPR Documents”), in such form and with such changes, additions, deletions and/or amendments to the IPR Documents as may be approved by any such Authorized Officer, such approval to be conclusively evidenced by the execution thereof by such Authorized Officer, and when so executed, such IPR Documents, as modified or amended, shall be binding and enforceable against the Foundation;

FURTHER, RESOLVED, that any and all IPR Documents previously or hereafter executed and delivered on behalf of the Foundation in connection with the IPR Transactions and pursuant to the foregoing resolutions shall be deemed to be the act and deed of the Foundation and shall be binding and enforceable against the Foundation in all respects;

FURTHER RESOLVED, that all actions taken previously or hereafter by the officers of the Foundation, with respect to the preparation, execution and delivery of the IPR Documents, and all other actions taken in connection with the IPR Transactions referred to by the foregoing resolutions be, and they hereby are, in all respects, approved, ratified and confirmed; and

FURTHER RESOLVED, that the Board of Directors of the Foundation, in its capacity as the Sole Member of the IPR Subsidiary, hereby authorizes the Authorized Officers, acting together or individually, to execute and deliver any and all documents required to carry out Joint Venture Transactions, including, without limitation, articles of organization, operating agreements, lease agreements, loan agreements, promissory notes, mortgages, assignments of leases and rents, environmental indemnity agreements, certifications, representation letters and all other documents, instruments and certificates as any such Authorized Officer shall, in their sole discretion, deem necessary, convenient or desirable to evidence a Joint Venture Transaction (collectively, the “JV Documents”), in such form and with such changes, additions, deletions and/or amendments to the JV Documents as may be approved by any such Authorized Officer, such approval to be conclusively evidenced by the execution thereof by such Authorized Officer, and when so executed, such JV Documents, as modified or amended, shall be binding and enforceable against, as applicable, the Foundation and the IPR Subsidiary;

FURTHER, RESOLVED, that any and all JV Documents previously or hereafter executed and delivered on behalf of, as applicable, the Foundation or the IPR Subsidiary in connection with a Joint Venture Transaction and pursuant to the foregoing resolutions shall be deemed to be the act and deed of, as applicable, the Foundation and the IPR Subsidiary and shall be binding and enforceable against, as applicable, the Foundation and the IPR Subsidiary in all respects; and

FURTHER RESOLVED, that all actions taken previously or hereafter by the officers of the Foundation, with respect to the preparation, execution and delivery of the JV Documents, and all other actions taken in connection with a Joint Venture Transaction referred to by the foregoing resolutions be, and they hereby are, in all respects, approved, ratified and confirmed.

The motion passed.

VII. Report of the President

President Ramsey gave a presentation on University events since the previous meeting of the UofL Foundation.

He concluded his report with an update on the 2014-15 shared goals. Of 19 goals achieved, 13 were rated at the “Best” level, 2 “Better,” and 1 “Good.”

Chairman Hughes thanked the President for his report.

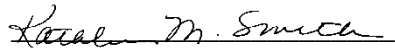
VIII. Report of the Chairman

Chairman Hughes reported the Board of Trustees would hold its Annual Retreat in Prestonsburg, KY, and Governor Paul Patton, Congressman Hal Rogers, and Jim Host will discuss the state’s initiative, Shaping our Appalachian Region (SOAR).

IX. Adjournment

Having no other business to come before the board, Mr. Denny made a motion, which Dr. Benz seconded, to adjourn the meeting at 3:27 p.m. The motion passed.

Approved by:


Assistant Secretary