

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 on February 26, 2013, in the Jefferson Room, of Grawemeyer Hall on Belknap Campus, with members present and absent as follows:

Present: Mr. Burt Deutsch, Vice Chair, Presiding
Mr. Jonathan Blue
Mr. Charles Denny
Dr. Salem George
Dr. Mark Lynn
Mr. Frank Minnifield
Dr. James R. Ramsey
Mr. Eddy Roberts
Mr. Frank Weisberg

Absent: Mr. Ulysses L. Bridgeman, Jr.
Ms. Joyce Hagen
Ms. Margaret Handmaker
Mr. J. Chester Porter
Ms. Debbie Scoppechio
Dr. William Selvidge

From Legal
Counsel: Mr. David Saffer, Stites & Harbison

From the
Foundation: Dr. Shirley Willihnganz, Vice President
Mr. Michael Curtin, Assistant Treasurer

From the
University: Dr. William Pierce, Executive Vice President for Research and Innovation
Mr. Keith Inman, Vice President for University Advancement
Mr. Jason Tomlinson, Assistant Vice President for Finance
Ms. Becky Simpson, Associate VP for Communications and Marketing
Mr. Michael Kramer, Directors, Investments & Fin. Management
Mr. Mark Hebert, Director of Media Relations
Mrs. Trisha Smith, Deputy Chief of Staff, Office of the President
Mrs. Debbie Dougherty, Board Liaison

I. Call to Order

Having determined a quorum present, Vice Chair Deutsch called the meeting to order at 12:05 p.m.

II. Consent Agenda

Vice Chair Deutsch read the consent agenda.

Approval of Minutes

- December 6, 2012

From the Finance Committee:

- Action Item: Approval of Revisions to Endowment Fund Statement of Objectives and Guidelines
- Action item: Approval of Investment Guidelines for Internationally Managed Short-Term Funds
- Information Item: Quarterly Investment Performance Report
- Information Item: Interim Financial Statements through December 31, 2012

Hearing no objection, Mr. Minnfield made a motion, which Mr. Denny seconded, to approve the consent agenda. The motion passed. Vice Chair Deutsch referenced the investment performance report, noting the UL Foundation was at the forefront with its aggressive strategic investment policy. He noted the performance on investments had been excellent. Vice Chair Deutsch called on Vice President Curtin to summarize the interim financial statements. Mr. Curtin noted the Foundation had \$989 Million in total assets, with liabilities of \$182 Million. The Foundation's net assets increased \$24 Million to a total of \$807 Million. Mr. Curtin noted the market value of the Foundation's endowment fund was at \$754 Million as of December 31, 2012. Mr. Curtin concluded by saying the Foundation was in a very strong and stable position.

III. Action Item: Approval of:

Signature Authority

President Ramsey noted this action was routine in nature and discussed the recommended changes. The President made a motion, which Mr. Robert seconded, to approve the

**RESOLUTION
BOARD OF DIRECTORS
UNIVERSITY OF LOUISVILLE FOUNDATION, INC.**

A. CORPORATE SIGNATURE AUTHORITY:

BE IT RESOLVED, that the following named individuals in their capacity as officers or employees of the Foundation or employees of the University acting as agents for the Foundation be and hereby are the only officers and agents of the Foundation empowered to execute contracts on behalf of the University of Louisville Foundation, Inc.:

<u>NAME</u>	<u>TITLE</u>
William Selvidge	Chair
Burt Deutsch	Vice Chair
James R. Ramsey	President
Shirley Willihnganz	Executive Vice President
Joyce Hagen	Treasurer
Michael J. Curtin	Assistant Treasurer
Kathleen M. Smith	Chief of Staff/Assistant Secretary

B. FINANCE/INVESTMENT SIGNATURE AUTHORITY:

BE IT FURTHER RESOLVED that the following named individuals in their capacity as officers or employees of the Foundation or employees of the University acting as agents for the Foundation be and hereby are the only officers and agents of the Foundation empowered to endorse securities for sale or subscription, purchase or sell securities, and execute any documents incident to the management and administration of investments, such documents to include but not be limited to purchase or sale authorizations or agreements, participation agreements, stock or bond powers and proxies, on behalf of the University of Louisville, Foundation, Inc.;

<u>NAME</u>	<u>TITLE</u>
William Selvidge	Chair
Burt Deutsch	Vice Chair
James R. Ramsey	President
Michael J. Curtin	Vice President
Shirley Willihnganz	Executive Vice President
Joyce Hagen	Treasurer
Larry Zink	Controller, U of L
Michael D. Kramer	Director, Investments

C. DEVELOPMENT/DONOR RELATIONS SIGNATURE AUTHORITY:

BE IT FURTHER RESOLVED that the following named individuals in their capacity as officers or employees of the Foundation or employees of the University acting as agents for the Foundation be and hereby are the only officers and agents of the Foundation empowered to execute gift receipts and U.S. Internal Revenue Service forms pertaining to gift reports, on behalf of the University of Louisville Foundation, Inc.:

<u>NAME</u>	<u>TITLE</u>
William Selvidge	Chair
Burt Deutsch	Vice Chair
James R. Ramsey	President
Michael J. Curtin	Vice President
A. Keith Inman	Vice President
Joyce Hagen	Treasurer
Kathleen M. Smith	Chief of Staff/Assistant Secretary

D. CERTIFICATION AUTHORITY:

BE IT FURTHER RESOLVED that the following named individuals in their capacity as officers or employees of the Foundation or employees of the University acting as agents for the Foundation be and hereby are the only officers and agents of the Foundation empowered to certify or authenticate the signatures of a corporate officer and the minutes, resolutions and other records of the Foundation, when such action is required of the University of Louisville Foundation, Inc.:

<u>NAME</u>	<u>TITLE</u>
Eddy Roberts	Secretary
Kathleen Smith	Assistant Secretary

BE IT FURTHER RESOLVED that this resolution shall and does supercede any and all previous resolutions authorizing such signatures for the University of Louisville Foundation, Inc.

The motion passed.

Banking Resolution

President Ramsey reported this action was routine in nature, noting the recommended changes. Dr. Ramsey made a motion, which Mr. Roberts seconded, to approve the

RESOLUTION

RESOLVED THAT:

- (1) PNC Bank (“Bank”) is designated a depository of funds of the University of Louisville Foundation, Inc. (“Foundation”).**
- (2) This resolution applies to all accounts opened by the University’s Controller’s Office at the Bank under the University of Louisville Foundation, Inc., name.**
- (3) The following officers of the Foundation, listed below, are authorized to sign checks on, or withdraw funds from, the Accounts and the Bank is authorized to pay and charge the Accounts for checks or withdrawal requests subject to the conditions of paragraph (5) of this Resolution:**

James R. Ramsey, President

Shirley C. Willinhnganz, Executive Vice President

Michael J. Curtin, Assistant Treasurer

- (4) The following employees of the University of Louisville, listed below are authorized to sign checks on or withdraw funds from the Accounts as agents of the Foundation and the Bank is authorized to pay and charge the Accounts for checks or withdrawal requests subject to the conditions of paragraph (5) of this Resolution:**

Larry W. Zink, Controller and Treasurer

Susan D. Magness, Associate Controller

Michael Kramer, Director, Investment & Financial Management

David M. Woods, Assistant Treasurer

- (5) The following limitations shall apply to the signature authority of the above named Foundation officers and University of Louisville employees acting as agents of the Foundation: (a) for amounts less than \$100,000 – one signature which may be mechanical; (b) for amounts equal to, or greater than, \$100,000 – two signatures, one of**

which may be mechanical.

- (6) The officers and employees named above have provided specimen signatures herein and are authorized to sign signature cards and Accounts agreements.**
- (7) The Assistant Secretary of the Foundation Board of Directors is authorized and directed to deliver for and on behalf of the University, a certificate of this resolution to the bank.**
- (8) The Bank is authorized to rely upon this Resolution until the bank has received written notice of any amendment or recession of the resolution.**

The motion passed.

IV. Report of the President

The President showed the Year in Review video. He reported the University has been on an upward trajectory – noting comparative statistics from 1998 to 2012, including freshman ACT scores, six-year graduation rates, Baccalaureate and Doctoral degrees awarded, number of students residing on campus, research expenditures, and endowed chairs and professorships. At the conclusion of 2012, the University signed a joint operating agreement with KentuckyOne Health, Upward Bound announced a \$3.3M grant to help high school students, the University joined the ACC, the University held its December Commencement ceremony, and announced a \$1.1M gift to the Brandeis School of Law. Dr. Ramsey further reported that 2013 started off great with the football team's Sugar Bowl win, Vogt Foundation and Henry Heuser announced a \$3M gift; Charting Our Course Campaign announced reaching \$755,337,793 toward its \$1B goal, University Hospital named First Comprehensive Stroke Center in Kentucky, Dr. Mark and Mrs. Cindy Lynn announced a \$5M gift to help fund construction of a new soccer stadium, and in early April the University will announce a \$6.8M grant from the National Cancer Institute. He recognized there is so much more to do, and thanked board members for their generous support in charting the course of the University. The President called upon Provost Willihnganz to report on the 21st Century Initiative. Provost Willihnganz reported the process is designed to answer: 1) where are we now; 2) where do we want to go; and 3) how do we want to get there. The SWOT (strengths, weaknesses, opportunities and threats) analysis is complete, with members of the steering committee and four subcommittees identified. The committees will begin work next week. President Ramsey stated this initiative is very important for moving the University forward.

President Ramsey asked board members to remember two numbers: \$141.8 Million and \$141.1 Million. The \$141.8 Million represented funds transferred from UL Foundation to University programs; and \$141.1 Million represented state support for the fiscal year. The 2012-13 fiscal year is the first year in UL's history private funding exceeded state support. Private support continues to escalate. He reiterated his deep appreciation for UofL Foundation commitment. With the passing of Mr. Owsley B. Frazier and Mr. Chester Porter unable to serve as co-chair, the President announced Henry Heuser, Chuck Denny and Junior Bridgeman have agreed to serve as co-chairs for finishing the capital campaign.

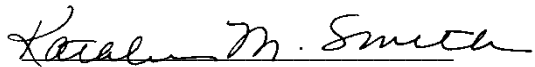
V. Report of the Chair

The Chair had no report.

VI. Adjournment

Mr. Roberts made a motion, which Mr. Denny seconded, to adjourn the meeting at 12:50 p.m.
The motion passed.

Approved by:


Asst. Secretary

**RECOMMENDATION TO THE BOARD OF DIRECTORS
UNIVERSITY OF LOUISVILLE FOUNDATION, INC.,
REGARDING THE OPERATING BUDGET FOR 2013-2014**

Finance Committee July 24, 2013
Board of Directors September 20, 2013

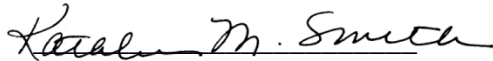
RECOMMENDATION:

The President recommends that the Board of Directors approve the proposed operating budget for the fiscal year 2013-2014 for the University of Louisville Foundation, Inc. as specified in the attached budget document and supporting schedules; and

That the President be authorized to make adjustments for discretionary programmatic expenditures from budgeted reserves up to the balance available in the reserve.

ACTION:

Passed X
Did not pass
Other


Assistant Secretary