

MINUTES OF THE SPECIAL 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 9:10 a.m. on October 6, 2016, in the ULF Board Room, Cardinal Station, with members present and absent as follows:

Present: Ms. Brucie Moore, Chairwoman
Ms. Joyce Hagen, Vice Chair (via video conference)
Mr. Ronnie Abrams
Dr. Larry Benz, (via video conference)
Mr. Jonathan Blue, (via video conference)
Mr. Ulysses L. Bridgeman, Jr. Treasurer
Mr. Paul Carrico
Ms. Alice Houston (left at 10:35 a.m.)
Dr. Robert Curtis Hughes
Dr. Mark Lynn
Ms. Diane Medley
Dr. Neville Pinto, *ex officio* Director
Dr. William Selvidge (via video conference)

Absent: Ms. Margaret Handmaker, Secretary
Dr. Salem George

From the
Foundation: Mr. Jason Tomlinson, Assistant Treasurer, Chief Financial Officer (CFO)

From Legal
Counsel: Mr. David Saffer, Stites and Harbison
Mr. Larry Droege, Stites and Harbison
Ms. Kate Crosby, Tachau and Meek

From the
University: Mr. Keith Inman, Vice President for Advancement
Mr. John Karman, Interim Director of Media Relations
Ms. Becky Simpson, Sr. Assoc. VP of Communications and Marketing

I. Call to Order

Having determined a quorum present, Chairwoman Moore called the meeting to order at 9:10 a.m.

II. Consent Agenda

Chairwoman Moore read the consent agenda as follows:

Consent Agenda

- **Approval of Minutes, September 23, 2016**

Hearing no objection, Dr. Lynn made a motion, which Dr. Hughes seconded, to approve the Consent Agenda.

The motion passed.

III. Executive Session to Discuss Personnel Matters

Chairwoman Moore asked for a motion to go into executive session to discuss personnel matters as authorized by KRS 161.810(f). Dr. Lynn made a motion to go into executive session, which Dr. Hughes seconded. The motion passed. [Entered into executive session at 9:11 a.m.]

IV. Reconvene Open Session

Chairwoman Moore reported that personnel matters were discussed but no actions were taken. [Reconvene at 10:34 a.m., Ms. Houston left]

V. Approve Forgiveness of UHI, Inc. Line of Credit as a Result of Property Transfers to the University of Louisville Real Estate Foundation, Inc.

Chairwoman Moore removed this item from the agenda, naming that further discussions were needed before presenting it as a resolution. Dr. Benz asked that a full report of the findings be presented to Board.

VI. Approve Loan to ULH, Inc. in the Amount of \$13,348,897.40 Effective as of July 14, 2015, at a Rate of 4.15%

Chairwoman Moore discussed that this is the same resolution that was presented to the Board earlier during the ULH, Inc. Board of Directors special meeting. Ms. Medley made a motion, which was seconded by Dr. Lynn to approve the resolution **as attached**.

VII. Approve (i) Sublease to Delta Upsilon at University Pointe and (ii) Lease from AAF-Louisville, LLC for University of Louisville Foundation, Inc. Space in Cardinal Station

Chairwoman Moore asked Mr. Tomlinson to brief the Board regarding the two items.

(i) Mr. Tomlinson went on to describe to the Board University Pointe is on University-owned land and was built where the Delta Upsilon chapter used to have their chapter

meetings. Four apartment units have been converted into a space for them. The funding for the cost of renovation was provided by donors. The chapter will be paying rent which is comparable to the amount that other Greek organizations are paying at Community Park. ULF is not providing any additional funding.

(ii) Mr. Tomlinson detailed that this was just a formalization of the leases to the Foundation for the space occupied by the Foundation in the AAF building.

Dr. Hughes made a motion, which was seconded by Dr. Lynn, to approve the resolution regarding leasing matters **as attached**. The motion passed.

VIII. Approval for \$1.25M Match for a \$5M Grant from Kentucky Transportation Cabinet

Dr. Pinto addressed the Board regarding a grant that would provide financial assistance in the development of the Research Park. The nearly twenty acres of land that sits behind the Speed School of Engineering, is under development to become the University's Research Park. Through the University's partnership with GE, the grant will provide funding to further develop the interior infrastructure of the park. Through the utilization of received transportation funds (\$24.6M) from the state, the University was able to build the overpasses that will ultimately connect the Research Park to the University.

The resolution is for a \$5M grant from the state, which is anticipated if the Foundation were to provide a \$1.25M match.

Dr. Pinto introduced David Adams, CEO for the Institute for Product Realization. Mr. Adams provided a detailed overview of the IPR and the vision it brings for the University of Louisville. The IPR will impact the community, K-12 students, and the rest of the state. The IPR offers a unique opportunity for companies to collaborate with our students, faculty, and staff.

Mr. Abrams made a motion, which was seconded by Mr. Carrico to pass the resolution regarding a transportation alternative program grant. The motion passed. The resolution is **attached**.

IX. Audit RFP Update

Ms. Medley, Chair of the Joint Audit Oversight Committee, reviewed the progress that has taken place since the committee's inception. Ms. Medley noted that the RFP has been sent out for a forensic audit of the Foundation. There have been questions from ten firms, four of which are the national four large firms. The questions were passed along to Mr. Harlan Sands, CFO at the University of Louisville, the deadline for those responses are October 10, 2016. The selection of a firm to conduct a forensic audit of the Foundation will be determined at the next meeting of the committee.

X. Open Records Request Update

Chairwoman Moore introduced David Tachau and his associate Kate Crosby of Tachau and Meek, PLC. They represent a joint effort to get a handle on the open records requests and to provide answers to those needing information.

Dr. Hughes asked that the cost to provide the documents to requestors be reviewed.

XI. Report of the Chairwoman

Chairwoman Moore appointed Ms. Diane Medley and Mr. Ronnie Abrams to the Audit Committee of the Foundation, to fill the two vacancies. Chairwoman Moore appointed Mr. Paul Carrico to the Finance Committee, to fill the vacant position.

Chairwoman Moore thanked the Foundation staff and University staff for their efforts. She also acknowledged and thanked the Board for their commitment that they have shown in their attendance of the multiple meetings since September 16, 2016.

XII. Other Business

Trustee director, Jonathan Blue, asked for an update regarding evaluations of open line investment managers. The Finance Committee has been asked to address this question in their upcoming meetings. Dr. Hughes, as the previous Chair of the Board, had agreed to look at the aforementioned evaluations before stepping down as Chair. Chairwoman Moore acknowledged the request and agreed to have the Finance Committee review.

XIII. Adjournment

Having no other business come before the Board, Chairwoman Moore asked for a motion to adjourn. Dr. Lynn made a motion to adjourn, which was seconded by Mr. Abrams. The motion passed. Meeting adjourned at 11:00 a.m.

Approved by:

Wlymer Bridgman Jr.

UNIVERSITY OF LOUISVILLE FOUNDATION, INC.

**RESOLUTIONS OF THE BOARD OF DIRECTORS
REGARDING LOAN TO ULH, INC.**

October 6, 2016

WHEREAS, ULH, Inc., a Kentucky non-profit corporation (the "ULH"), has leased from the University of Louisville (the "University") the land on which the University of Louisville Foundation, Inc., a Kentucky non-profit corporation (the "Foundation") constructed three dorm facilities known as Community Park, Bettie Johnson Hall, and Herman and Heddy Kurz Hall (each a "Dorm" and collectively, the "Dorms");

WHEREAS, each of the Dorms was financed through the issuance of bonds (each a "Bond Issue" and collectively, the "Bond Issues") guaranteed by the Foundation;

WHEREAS, during the Foundation's development of the project known as University Pointe (the "Pointe"), the Foundation discovered that the Bond Issue for Community Park (the "Community Park Bond Issue") encumbered property on which the Pointe was to be developed;

WHEREAS, as of July 14, 2015 (the "Payoff Date"), the Community Park Bond Issue had (i) an average coupon rate of 4.15% and (ii) a total outstanding balance, including accrued interest, of \$13,348,897.40 (the "Bond Payoff");

WHEREAS, to complete the development of the Pointe, on the Payoff Date the Foundation paid in full the Community Park Bond Issue in the amount of the Bond Payoff (the "Community Park Loan Transaction");

WHEREAS, to document the Community Park Loan Transaction, the Foundation will obtain from ULH a promissory note (the "ULH Note") dated as of the Payoff Date, in the amount of the Bond Payoff and having an interest rate of 4.15%;

WHEREAS, the ULH Note will be repaid in full from the refinancing of the Bond Issues; and

WHEREAS, based on the recommendation of the officers of the Foundation (the "Officers"), the Board of Directors of the Foundation deems it to be in the best interest of the Foundation to ratify the Community Park Loan Transaction and obtain the ULH Note.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Foundation hereby authorizes the Officers, acting together or individually, to execute and deliver any and all documents required to complete and evidence the Community Park Loan Transaction as such Officers shall, in their sole discretion, deem necessary, convenient or desirable (collectively, the "Documents"), in such form and with such changes, additions, deletions and/or amendments to the Documents as may be approved by any such Officer, such approval to be conclusively evidenced by the execution thereof by such Officer, and when so executed, such Documents, as modified or amended, shall be binding and enforceable against the Foundation;

FURTHER RESOLVED, that the Board of Directors of the Foundation hereby authorizes the Officers, acting together or individually, to execute and deliver any further amendments, modifications, renewals or supplements of or to any of the foregoing agreements, documents or instruments as may be approved by any such Officer, such approval to be conclusively evidenced by the execution thereof by such Officer, and when so executed, shall be binding and enforceable against the Foundation; 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 Documents, and all other actions taken in connection with the Community Park Loan Transaction referred to by the foregoing resolutions be, and they hereby are, in all respects, approved, ratified and confirmed.

Action:

Passed: X

Did Not Pass:

Other:



Treasurer

UNIVERSITY OF LOUISVILLE FOUNDATION, INC.

RESOLUTIONS OF THE BOARD OF
DIRECTORS OF THE UNIVERSITY OF LOUISVILLE FOUNDATION, INC.,
REGARDING LEASING MATTERS

October 6, 2016

BE IT RESOLVED, that the Board of Directors of the University of Louisville Foundation, Inc. (the "Foundation") hereby approves the following leases (each, a "Lease" and collectively, the "Leases"): (i) Sublease Agreement effective August 19, 2016, by and between the Foundation, as sublessor, and Louisville Delta Upsilon Corporation, as sublessee, for certain space located at University Pointe, and (ii) Office Building Lease Agreement by and between AAF-Louisville, LLC, as landlord, and the Foundation, as tenant, for certain space located at University of Louisville Foundation Medical and Office Park.

FURTHER, RESOLVED, that the Board of Directors of the Foundation hereby authorizes the officers of the Foundation (each an "Officer" and collectively, the "Officers"), acting together or individually, to negotiate the terms and conditions of the Leases and execute and deliver any and all documents required to complete the Leases (the "Lease Transactions"), including, without limitation a sublease, lease, and all other documents, instruments and certificates as any such Officer shall, in his or her sole discretion, deem necessary, convenient or desirable to complete the Lease Transactions (collectively, the "Lease Documents"), in such form and with such changes, additions, deletions and/or amendments to the Lease Documents as may be approved by any such Officer, such approval to be conclusively evidenced by the execution thereof by such Officer, and when so executed, such Lease Documents, as modified or amended, shall be binding and enforceable against the Foundation; and

FURTHER, RESOLVED, that any and all Lease Documents previously or hereafter executed and delivered on behalf of the Foundation in connection with the Lease 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.

Action:

Passed: X

Did Not Pass:

Other:


Treasurer

UNIVERSITY OF LOUISVILLE FOUNDATION, INC.

RESOLUTIONS OF THE BOARD OF DIRECTORS OF THE UNIVERSITY OF
LOUISVILLE FOUNDATION, INC.,
REGARDING A TRANSPORTATION ALTERNATIVES PROGRAM GRANT

October 6, 2016

WHEREAS, the University of Louisville (the "University") has or is about to submit an application under the Transportation Alternatives Program (the "TAP Program") to the Kentucky Transportation Cabinet Department of Rural and Municipal Aid Office of Local Programs for the development of the interior roadways (the "Roadway Development") at the Belknap Engineering and Applied Sciences Research Park;

WHEREAS, the total cost of the Roadway Development will be approximately \$6,250,000.00, the maximum available under the TAP Program will be \$5,000,000.00, and the TAP Program requires a twenty percent (20%) match in the amount of \$1,250,000.00 (the "Match"); and

WHEREAS, the University has requested that the Foundation supply the Match upon the award of the Tap Program grant.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the University of Louisville Foundation, Inc. (the "Foundation") hereby approves the Match to be funded from Discretionary Gift Funds available to the Office of the President of the University upon the award of the Tap Program grant;

FURTHER, RESOLVED, that the Board of Directors of the Foundation hereby authorizes the officers of the Foundation (each an "Officer" and collectively, the "Officers"), acting together or individually, to negotiate the terms and conditions of the Match and execute and deliver any and all documents required to complete the Match (the "Match Transaction"), (collectively, the "Match Documents"), in such form and with such changes, additions, deletions and/or amendments to the Match Documents as may be approved by any such Officer, such approval to be conclusively evidenced by the execution thereof by such Officer, and when so executed, such Match Documents, as modified or amended, shall be binding and enforceable against the Foundation; and

FURTHER, RESOLVED, that any and all Match Documents previously or hereafter executed and delivered on behalf of the Foundation in connection with the Match Transaction 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.

Action:

Passed: X

Did Not Pass:

Other:

