

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
OF THE ULH, INC. AND UNIVERSITY OF LOUISVILLE FOUNDATION, INC.

In Open Session

Members of the ULH, Inc. and the University of Louisville Foundation, Inc. Board of Directors met at 12:30 p.m. on February 28, 2017, in the ULF Board Room, Cardinal Station, with members present and absent as follows:

Present: Ms. Diane Medley, Chair
Mr. Ronnie Abrams
Mr. Paul Carrico (via videoteleconference)
Mr. J. David Grissom
Ms. Alice Houston
Dr. Mark Lynn
Dr. Greg Postel, *ex officio* Director
Mr. Nitin Sahney
Mr. John Schnatter

After

Appointment: Mr. Mike Bowers
Ms. Laura Douglas
Ms. Donna Heitzman
Mr. Tom Meeker
Mr. Vince Tyra
Mr. Earl Reed

From the

Foundation: Mr. Keith Sherman, Interim Executive Director/COO
Mr. Jason Tomlinson, Assistant Treasurer, Chief Financial Officer (CFO)
Mr. Zack Parsons, Boards Support
Mr. Jay Barbee

From Legal

Counsel: Mr. David Saffer, Stites and Harbison
Mr. Ben Sanders, Stites and Harbison

From the

University: Mr. Keith Inman, Vice President for University Advancement
Mr. John Karman, Director of Media Relations

I. Call to Order

Having determined a quorum present, Chair Medley called the meeting to order at 12:30 p.m.

II. Consent Agenda

Chair Medley read the consent agenda as follows:

Consent Agenda

- **Approval of Minutes, 1-24-2017**

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

The motion passed.

III. Report of the Nominating Committee

The Nominating Committee took action to recommend Mr. Michael Bowers, Ms. Laura Douglas, Ms. Donna Heitzman, Mr. Thomas Meeker, Mr. Vincent Tyra, and Mr. Earl Reed, respectively, to serve as Board Directors on the University of Louisville Foundation, Inc. and ULH, Inc.

IV. Action Item: Elect At-Large Directors

Chair Medley presented the slate of At-Large Directors as recommended by the Nominating Committee to elect Mr. Michael Bowers, Ms. Laura Douglas, Ms. Donna Heitzman, Mr. Thomas Meeker, Mr. Vincent Tyra, and Mr. Earl Reed. The resolution is **attached**.

Dr. Lynn made a motion, which Ms. Houston seconded, to approve the slate of At-Large Directors. The motion passed.

V. Action Item: Elect Officers and Executive Committee Members

Chair Medley presented the slate of officers and Executive Committee members—conditional upon their election to the Board—as follows; Dr. Mark Lynn as Vice Chair, Mr. Michael Bowers as Treasurer, and Ms. Laura Douglas as Secretary.

Ms. Houston made a motion, Mr. Abrams seconded to approve the resolution. Dr. Lynn abstained. The motion passed.

VI. Executive Session

Chair Medley asked for a motion to go into executive session to discuss personnel matters and potential litigation pursuant to KRS 61.810(l)(f) and KRS 61.810(l)(c).

Dr. Lynn made the motion, which Mr. Abrams seconded, to go into executive session. The motion passed.

[Entered executive session at 12:37 p.m.]

VII. Reconvene Open Session

Chair Medley asked for a motion to reconvene open session. Mr. Grissom made the motion, which Dr. Lynn seconded to reconvene open session. The motion passed.

[2:46 p.m. Mr. Sahney and Mr. Schnatter left]

VIII. Other Action Item(s)

The approval of the Guaranty of University of Louisville Physicians Line of Credit with Republic Bank & Trust Company was removed from the agenda.

The resolution regarding settlements, employment and/or termination agreements with employees or former employees was presented as **attached**. Ms. Douglas made the motion, which Mr. Bowers seconded to approve the resolution. The motion passed.

The next item of business included the approval of a signature authority. Mr. Abrams made the motion, which Dr. Lynn seconded to approve the resolution as **attached**. The motion passed.

The next item of business included the appointment of an Ad-Hoc Governance Committee to work with the University of Louisville Ad-Hoc Governance Committee on the development of a Memorandum of Understanding between the two entities. Mr. Bowers made the motion, and Ms. Heitzman seconded, to approve the resolution as **attached**. The motion passed.

IX. Report of the Chair

Chair Medley noted her appreciation to each of the Directors and their commitment to serve the University of Louisville Foundation, Inc. Chair Medley advocated that the Foundation continue to serve as great stewards of funds for the University of Louisville. The Chair, and the rest of the Board, are looking forward to a bright future and concerted efforts towards greater transparency.

X. Report of the Executive Director

Mr. Sherman took the opportunity to thank each of the Directors for their dedication to service of the University of Louisville and the community.


XI. Other Business

In other business, Mr. Sahney was asked to become more involved with the Institute for Product Realization so that the Foundation can receive updates as the work for the IPR continues.

XII. Adjournment

Having no other business come before the Board, Ms. Medley asked for a motion to adjourn. Dr. Lynn made a motion to adjourn, which Mr. Tyra seconded. The motion passed. Meeting adjourned at 3:05 p.m.

Approved by:


[REDACTED]
ULF Board Chair

RECOMMENDATION OF THE NOMINATING COMMITTEE FOR
UNIVERSITY OF LOUISVILLE FOUNDATION & ULH

Nominating Committee: February 7, 2017
Full Board: February 28, 2017

The Nominating Committee nominates the following:

As At-Large members of the Board of Directors of the University of
Louisville Foundation, Inc.

Mike Bowers, Term Expiring June 30, 2018
Laura Douglas, Term Expiring June 30, 2019
Donna Heitzman, Term Expiring June 30, 2018
Tom Meeker, Term Expiring June 30, 2017
Earl Reed, Term Expiring June 30, 2019
Vincent Tyra, Term Expiring June 30, 2018

COMMITTEE ACTION:

Passed X
Did Not Pass _____
Other _____

BOARD ACTION:

Passed X
Did Not Pass _____
Other _____


Chairwoman Diane B. Medley

University of Louisville Foundation, Inc.

RESOLUTION OF THE UNIVERSITY OF LOUISVILLE FOUNDATION BOARD OF DIRECTORS REGARDING SETTLEMENTS, EMPLOYMENT AND/OR TERMINATION AGREEMENTS WITH EMPLOYEES OR FORMER EMPLOYEES

February 28, 2017

RESOLVED, the Board of Directors of the University of Louisville Foundation (i) has not approved, and hereby prohibits any officer or other representative of the Foundation from exploring or discussing, on behalf of the Foundation, the terms of, or committing the Foundation to, any employment, settlement, or termination agreements with any current or prospective employee of the Foundation before the completion of the forensic audit of the Foundation and the acceptance of the forensic audit by the University of Louisville Board of Trustees, and (ii) hereby suspends any on-going explorations or discussions, if any, regarding any such employment, settlement, or termination agreements.

BOARD ACTION:

Passed X

Did Not Pass





Chairwoman Diane B. Medley
University of Louisville Foundation, Inc.

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

A. CORPORATE SIGNATURE AUTHORITY:

BE IT RESOLVED, that, subject to the limitations set forth below, any of the following named individuals in their capacity as officers or employees of the University of Louisville Foundation, Inc. (“ULF”) or employees of the University of Louisville (the “University”) acting as agents for ULF (each an “Officer” and collectively, the “Officers”) be and hereby are the only persons empowered to execute contracts (each a “Contract”) on behalf of ULF;

LIMITATIONS:

Acquisition of Real Property: Any Officer executing a Contract for ULF for the acquisition, other than by gift, of any real property must obtain the prior written approval of ULF’s Board of Directors.

Sale of Real Property: Any Officer executing a Contract for ULF for the sale or transfer of any real property having a sales price in excess of \$150,000 (other than properties obtained by donation and intended for sale) must obtain the prior written approval of ULF’s Board of Directors.

Other Expenditures: Any Officer executing a Contract for ULF in excess of \$200,000 but less than \$400,000 must obtain the prior written approval of the Chair and another Officer of ULF, and any Contract for an amount in excess of \$400,000 requires the prior written approval of ULF’s Board of Directors.

Notwithstanding the above, and except as related to portfolio investments managed by Cambridge and Associates or internally managed mutual funds, no purchases, sales, withdrawals, payments or financial commitments in excess of \$50,000 may be entered into without the signature of the Foundation’s Executive Director.

NAME:

TITLE:

Diane Medley

Chair

Mark Lynn

Vice Chair

Mike Bowers

Treasurer

Laura Douglas

Secretary

Dr. Greg Postel, Ex-Officio Director

Interim President (University of Louisville)

Keith Sherman

Interim Executive Director / Chief Operating Officer

Jason Tomlinson

Chief Financial Officer / Assistant Treasurer

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 Foundation;

NAME:	TITLE:
Diane Medley	Chair
Mark Lynn	Vice Chair
Mike Bowers	Treasurer
Laura Douglas	Secretary
Dr. Greg Postel, Ex-Officio Director	Interim President (University of Louisville)
Keith Sherman	Interim Executive Director / Chief Operating Officer
Jason Tomlinson	Chief Financial Officer / Assistant Treasurer
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 Foundation:

NAME:	TITLE:
Diane Medley	Chair
Mark Lynn	Vice Chair
Mike Bowers	Treasurer
Laura Douglas	Secretary
Dr. Greg Postel, Ex-Officio Director	Interim President (University of Louisville)
A. Keith Inman	Vice President
Keith Sherman	Interim Executive Director / Chief Operating Officer
Jason Tomlinson	Chief Financial Officer / Assistant Treasurer


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 Foundation:

NAME:	TITLE:
Laura Douglas	Secretary

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

Action:
 Passed: X
 Did Not Pass:
 Other:
 Date: February 28, 2017

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Diane B. Medley
 ULF Chairwoman

**RESOLUTION OF THE UNIVERSITY OF LOUISVILLE FOUNDATION
BOARD OF DIRECTORS REGARDING THE APPOINTMENT
OF AN AD HOC COMMITTEE ON BOARD GOVERNANCE**

February 28, 2017

RESOLVED, that the Board of Directors of the University of Louisville Foundation approves the creation of an Ad Hoc Committee on Board Governance. The Committee shall have five members to be appointed by the Chairwoman.

The charge of the Committee shall be as follows:

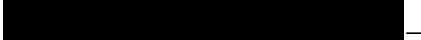
- Identify best practices in university foundation governance and recommend, for consideration by the Board, policies, procedures, and a committee structure that strengthen the Board's ability to carry out its fiduciary responsibilities.
- Identify best practices for forging an effective relationship between the University and the Foundation and recommend, for consideration by the Board, a new Memorandum of Understanding that documents how the University and the Foundation will work together.
- Review the Board's current governance practices and documents (e.g., By-Laws) and recommend, for consideration by the Board, updates and amendments that reflect best practices and conform to the requirements of Kentucky law.
- Educate Board members and constituencies regarding Board statutes, By-Laws, policies, procedures, and practices.

Board Action:

Passed: X

Did Not Pass:

Other:



Chairwoman Diane B. Medley
University of Louisville Foundation, Inc.