

Minutes of the Meeting of the
University of Louisville Research Foundation, Inc.

February 26, 2001

The Board of Directors of the University of Louisville Research Foundation met on Monday, February 26, 2001 in the Jefferson Room of Grawemeyer Hall with the members present and absent as follows:

Present: Mr. T. W. Samuels, Jr., Chairman, Presiding
Mr. Ulysses L. Bridgeman, Jr., Treasurer
Mr. Nathaniel E. Green, Secretary
Ms. Linda Wallbaum Cauble
Mrs. Ann Ford Cobb
Mr. Kevin D. Cogan
Dr. Richard C. Feldhoff
Dr. Carol Garrison
Mr. Grant M. Helman
Dr. Nancy C. Martin
Mr. William P. Mulloy, Sr.
Mr. Larry Owsley
Mr. J. Chester Porter
Ms. Angela M. Richie
Mrs. Joyce Hagen Schifano
Dr. John Shumaker
Ms. Melissa Long Shuter
Mrs. Sandra Metts Snowden
Mrs. Mary A. Yarmuth

Conference

Call: Ms. Jessica Loving

Absent: Mrs. Marie K. Abrams
Mr. Milton M. Livingston
Mr. Darryl T. Owens
Mrs. Elizabeth H. Worland

From the
University:

Mr. Joseph S. Beyel, Vice President for Development and Alumni
Dr. Denise D. Gifford, Vice President for Student Affairs
Mr. Daniel Hall, Vice President for University Relations
Dr. Joel A. Kaplan, Vice President for Health Affairs
Mr. Ronald L. Moore, Vice President for Information Technology
Mr. David F. Barker, Director of Internal Audit
Mr. Michael J. Curtin, Director, Planning and Budget
Mr. Thomas H. Lyons, University Counsel
Mr. Ralph Fitzpatrick, Special Assistant for Minority Affairs
Mrs. Terri Rutledge, Associate Vice President for Finance & Administration
Ms. Trisha Wolf, Board Liaison, President's Office
Ms. Debbie Dougherty, Board Liaison, President's Office
Ms. Rae Goldsmith, Associate V. P. for University Relations
Mr. John Drees, Director of Public Information

Mrs. Kathleen M. Smith, Assistant Secretary, Board of Trustees

I. Call to Order

Because Chair Livingston was unable to attend this meeting, he asked Chair Samuels to convene the meeting of the University of Louisville Research Foundation. Having determined a quorum present, Mr. Samuels called the meeting to order at 5:08 p.m.

II. Consent Agenda

Mr. Samuels called the consent agenda item of the approval of the minutes from the November 27, 2000 meeting. Hearing no objections, Ms. Cauble and Mrs. Yarmuth moved and seconded, respectively, a motion to approve the minutes. The Board unanimously approved the motion.

III. Privatization Initiative

Chair Samuels asked for a motion to approve the President's recommendation:

That the Board authorize the president to take any steps necessary to create a for-profit business entity dedicated to development of for-profit activities related to the University, with the Research Foundation as sole shareholder;

That the directors of the new entity include a majority of outside directors not employed by the University, with a minority of directors coming from the Board;

That the President be authorized to enter into arms-length, fair market value contracts with the new entity from time to time, or its subsidiary ventures, for services, license of University name, marks and intellectual property or know-how, development of business ventures with outside partners and investors, and leases of space and employees, provided that any subsidiary venture shall have a business plan, non-University financing and exit strategy approved as feasible by the directors of the new entity;

That the directors and officers of this new entity regularly advise the Board on its activities and any subsidiary ventures being developed;

That the credit of the University in no way be pledged for the benefit of the new entity or its subsidiary ventures including subsidy or loans from the University, and that no funds from any university fiduciary organization may be used for investment in the new entity or its subsidiaries without the approval of the Board of Trustees and the Board of the appropriate fiduciary organization; and

That the President is authorized to incur or advance legal and consulting expenses and initial start-up costs for this effort not to exceed \$300,000 in total from non-state funds.

Mr. Mulloy moved and Mr. Porter seconded the motion, which passed unanimously.

IV. Adjournment

Having no further business, Mr. Samuels adjourned the meeting at 5:15 p.m.