

MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES
OF THE UNIVERSITY OF LOUISVILLE

In Open Session

Members of the Board of Trustees met at 1:00 p.m. on Wednesday, February 21, 2007, in the Jefferson Room, Grawemeyer Hall, with members present and absent as follows:

Present: Mr. J. Chester Porter, Chair
Ms. Marie Abrams
Mr. Jonathan Blue
Prof. Beth Boehm
Mr. Ulysses L. Bridgeman, Jr.
Ms. Bev Daly
Ms. Donna Tinsley Denny
Dr. Salem George
Mr. Nat Green
Mr. Grant Helman
Dr. Robert Curtis Hughes
Ms. Rebecca Jackson
Ms. Jessica Loving
Mr. Darrell Messer
Mr. Steve Poe
Ms. Sandy Metts Snowden
Mr. Bill Stone

Absent: Mr. Ron Butt
Mr. Owsley Frazier
Ms. Margaret Handmaker

From the University: Dr. James R. Ramsey, President
Dr. Shirley Willihnganz, Executive Vice President and Provost
Dr. Larry Cook, Executive Vice President for Health Affairs
Dr. Manuel Martinez-Maldonado, Executive Vice President for Research
Ms. Angela D. Koshewa, University Counsel
Dr. Robert Felner, Dean, College of Education and Human Development
Mr. Mike Curtin, Vice President for Finance
Mr. Tom Jurich, Vice President for Athletics
Mr. Larry Owsley, Vice President for Business Affairs
Mr. Keith Inman, Vice President for University Advancement
Dr. Tom Jackson, Jr., Vice President for Student Affairs
Dr. Gale Rhodes, Associate University Provost
Ms. Susan I. Howarth, Director of Budgets

Ms. Terri Rutledge, Asst. VP for Business Affairs
Mr. John Drees, Assoc. VP for Communications and Marketing
Mr. Marvin Mitchell, Associate Athletic Director
Mr. Jason Tomlinson, Assistant VP for Finance
Mr. David Barker, Director of Audit Services
Mr. Ken Dietz, Architect
Ms. Carolyn Cochran, Office of the Provost
Mr. Jason Tomlinson, Assistant VP for Finance
Mrs. Kathleen M. Smith, Assistant Secretary
Mrs. Debbie Dougherty, Board Liaison

Guests: Mr. Mark Allen
Mr. Dick Rigterink
Mr. Bob Gunnell
Mr. Tim Mulloy

I. Call to Order

Having determined a quorum present, Chair Porter called the meeting to order at 1:00 p.m.

II. Consent Agenda

A. Approval of Minutes

- Minutes from Executive Committee Meeting, 12/21/06
- Minutes from Board Meeting, 11/21/06

B. From the Personnel Committee

- Approval of Designation of Yum! Center
- Approval of Redbook Changes
 - * Chapters 2, 3, and 4
 - * EVP HA and VPSA Job Descriptions
- Approval of Monthly Personnel Recommendations

C. From the Finance Committee

- Approval of Creation of New Corporation with the Owensboro Medical Health System, Inc.
- Approval of Cardinal Covenant Program
- Approval of Authorization Regarding Stansbury Park Plan

D. From the Ad Hoc Committee on Bylaws

- Approval of Revision to Board of Trustees Policy Statement, 1.1 Ethics Statement

E. From the Academic & Student Affairs Committee

- Approval of Modifications to Residency Guidelines

Chair Porter read the consent agenda. Hearing no objections, Ms. Abrams made a motion, which Mr. Bridgeman seconded, to approve the agenda. The motion passed unanimously.

III. Action Item: Approval of HSC Master Plan

President Ramsey asked Dr. Larry Cook, who has been coordinating the effort for updating the master plan for the Health Sciences Center, to present the proposal for the Health Sciences Center master plan. Dr. Cook discussed details of the proposal, including patient care areas of dental school and current construction of the faculty office building. Dr. Cook introduced Mr. Dick Rigterink, consultant with this project. Mr. Rigterink presented a powerpoint of the master plan. (Dr. Hughes arrived at 1:20 p.m.) Dr. George made a motion, which Mr. Stone seconded, to approve the

President's recommendation that the Board of Trustees approve the master plan for the Health Sciences Campus as conceptually presented on February 21, 2007.

The motion passed unanimously.

IV. Executive Session

Ms. Jackson made a motion, which Mr. Messer seconded, to recess the open session at 1:40 p.m. to discuss a real estate matter and personnel matters pursuant to KRS 61.810(1) (b) and (f). The motion passed unanimously. (Mr. Poe arrived at 1:40 p.m.)

V. Open Meeting Reconvenes

Chair Porter reconvened the open session at 2:20 p.m. and reported that the Committee discussed real estate and personnel matters in executive session. No action was required.

VI. Action Item: Approval of Designation the Atrium of the Cardiovascular Innovation Institute (CII) for Laman Gray, Jr. and Resolution of Appreciation

President Ramsey acknowledged Dr. Laman Gray as one of the most distinguished faculty members at the University of Louisville. Dr. Gray is known as a pioneer in artificial heart research and worldwide for cardiovascular surgery and heart transplantation. The dedication of the atrium of the Cardiovascular Innovation Institute, a space central to all who enter the facility, for Dr. Gray, will recognize his lifetime commitment to cardiovascular research at UofL. Mr. Messer made a motion, which Mr. Helman seconded to approve the

President's recommendation to name the Atrium of the Cardiovascular Innovation Institute for Dr. Laman Gray.

The motion passed unanimously.

President Ramsey read onto the record a resolution of appreciation for Dr. Gray. Ms. Snowden made a motion, which Ms. Loving seconded, to approve the following resolution.

Laman A. Gray, Jr., M.D.

WHEREAS, Dr. Laman A. Gray, Jr. has served the University of Louisville with distinction as Professor and Chief of Cardiovascular and Thoracic Surgery since 1976;

WHEREAS, his leadership is extraordinary and he has earned the deep respect and admiration of scientists and medical colleagues throughout the world;

WHEREAS, he was singularly instrumental in building UofL's Division of Thoracic and Cardiovascular Surgery into a world-class research program that is regarded as a world-wide leader in minimally invasive and beating-heart cardiac surgeries, cardiomyoplasty, pre-transplant organ preservation, and mechanical circulatory support devices;

WHEREAS, his clinical and scientific investigation has attracted a medical team that achieved the first heart transplant in Kentucky (1984) and the first bridge-to-heart transplant in the United States using a bi-ventricular assist device (1992);

WHEREAS, most recently, he has served as one of four primary clinical investigators to bring the use of the ABIOMED's BVS 5000 temporary cardiac support system to FDA approval ;

WHEREAS, in 2001 as co-investigator for the University of Louisville/Jewish Hospital AbioCor research effort, he implanted the first implantable replacement heart;

WHEREAS, the prestige he brings to UofL comes not only from medical colleagues, but from institutions rating his research program as exceedingly innovative and potentially high impact;

WHEREAS, through Dr. Gray's leadership as the Jewish Hospital endowed chair in cardiovascular surgery and the Medical Director of the Cardiovascular Innovation Institute, the Commonwealth and the nation will continue to benefit from his untiring commitment to heart research;

NOW THEREFORE BE IT RESOLVED, that the Board of Trustees of the University of Louisville hereby expresses its deep appreciation to Dr. Laman Gray, Jr. for his extraordinary leadership, his outstanding performance, and his devoted scientific investigation of heart assist devices and other innovative treatments for coronary disease; and

BE IT FURTHER RESOLVED, that the Board recognize Dr. Gray as a premier researcher in Cardiovascular Surgery in the nation and an

outstanding catalyst for biomedical research and economic development world-wide; and

BE IT ALSO RESOLVED that a copy of this Resolution appropriately signed, be presented to Dr. and Mrs. Gray with our deepest and continuing appreciation.

The motion passed unanimously.

VII. Action Item: Approval General Receipts Indenture and Bond Issue

President Ramsey recommended the issuance of approximately \$41 million in general receipts series A bonds to be used to 1) retire short term financing for the property acquisition and construction of the Jim Patterson Stadium and the construction of the Trager Center; and 2) construct the Yum! Center, renovate the Home of the Innocents, and construct the Center for Predictive Medicine. A sale date of March 22, 2007 is tentatively proposed. Mr. Helman made a motion, which Ms. Jackson seconded, to approve the

President's recommendation that the Board of Trustees to approve the issuance of the \$41,090,000 University of Louisville General Receipts Bonds, 2007 Series A; and authorize the President or his designee to execute any documents required to complete the legal and financial transaction.

The motion passed unanimously.

VIII. Information Update on Market Analysis

President Ramsey noted that when the University first asked Mr. Allen to conduct a marketing poll no baseline data existed for comparison. Since then, his firm has conducted three years of marketing analysis, with execution during the Spring and Fall terms. There is longitudinal information that confirms the University is making progress in services areas across the state. Students from all 120 Kentucky counties enroll at the University of Louisville. President Ramsey asked Mr. Allen to present the most recent data. Mr. Allen reviewed the information noting respondents tend to be pleased with their investment in education and would support additional funds for research. Most of the people surveyed stated tuition was affordable and a good value at the University of Louisville. Key findings of the survey were:

- Education remains a top statewide priority
- Voters are pleased with the investment in higher education and recognize more state support is needed
- UofL tuition is judged to be a good value
- Toss-up about opinion on tuition increases, but broad preference was for state to step up

- “Research” is perceived to mean “medical research”
- UofL is narrowing the reputation gap, particularly statewide

Mr. Allen stated the most important issues to the survey respondents were education, followed by jobs, healthcare and the economy. Chair Porter thanked Mr. Allen for an excellent report.

IX. Action Item: Approval of Endowment Match Requests

President Ramsey reported this recommendation represents matched funds proposed for the final Bucks for Brains commitment. Many donors would like their contributions matched, but the University’s allotment is completely exhausted. President Ramsey touted the University’s accomplishment of matching three rounds of Bucks for Brains, and asked for support in encouraging the legislature to reauthorize the program for future donations. (Ms. Denny departed at 2:50 p.m.) Mr. Stone made a motion, which Ms. Abrams seconded, to approve the

President’s recommendation that the Board of Trustees approve the following:

- **the establishment of the KY Lions Fund for Eye Research,**
- **the expansion of the Barnstable-Brown Endowment for the Advancement of Diabetes Research, and**
- **the expansion of the Dr. Arno Spatola Fellowship in Chemistry in the College of Arts & Sciences; and**

authorize the Chair of the Board of Trustees to execute any documents required to complete the creation or expansion of these endowed funds.

The motion passed unanimously.

X. Action Item: Reauthorization of Athletic Component in Tuition

President Ramsey reported the proposal to reauthorize the Student Athletic Component in Tuition was presented as both policy and housekeeping. In August of 2002, the UofL Athletic Association Board of Directors incorporated into the contract extension of the Athletic Director a fee that would support athletics. This revenue would help stabilize budget issues affecting the Athletic Department. Through two subsequent contract extensions, the Athletic Board has reiterated that the fee provision is integral for a balanced athletic budget and would continue its provision in the Athletic Director’s contract. The action today would bring the Trustees policy into alignment with the policy of the Athletic Association. Dr. Ramsey further reported the University, in good faith, has met all the conditions requested by student leaders in the Board of Trustees action of May 24, 2002. Revenues from this student fee have helped the University compete at a high level in all sports not just revenue-producing ones. President Ramsey recommended

approval of the reauthorization of the fee. Mr. Stone made a motion, which Mr. Helman seconded, to approve the recommendation. Mr. Messer requested additional time for review and a greater dialogue with his constituents. He moved to table the recommendation so he could have more time. Ms. Abrams asked if Mr. Messer would consider moving to postpone his motion to allow the Trustees to discuss the issue. Mr. Messer respectfully withdrew his motion to table. He said he had tried to create a dialogue concerning this particular fee, but the action wasn't considered earlier in a committee, and his student-colleagues haven't had an opportunity to review. President Ramsey observed that this action would influence the administration's recommendation for 2007-08 tuition rates. The Council on Postsecondary Education allows institutions to increase tuition 12%; the Student Government Association seeks to keep the increase at or below 10%. President Ramsey said there has been much dialogue concerning student tuition rates and the University was doing everything possible to maintain affordability. Mr. Stone commended Mr. Messer for speaking on behalf of the students. Mr. Messer then made a subsidiary motion to table the motion to approve the reauthorization of the student athletic fee. Prof. Boehm seconded Mr. Messer's motion. The motion to table received five votes and was defeated. Chair Porter then called for a vote for the motion to approve the reauthorization of the student athletic fee; the vote was ten in support, two opposed, and four abstentions. Chair Porter noted a majority of the Board approved the

President's recommendation that the Board of Trustees reauthorize the student athletic fee at the current rate of \$50.00 per semester.

(Messrs. Poe and Bridgeman and Ms. Jackson departed at 3:15 p.m.)

XI. Information Items:

STOMP

Provost Willihnganz asked Dr. Rhodes to brief the board about the Student Tutorial On-line Module Program (STOMP). STOMP is an interactive, educational and entertaining delivery of information designed to help students succeed at UofL. The Board watched a DVD outlining these services. Provost Willihnganz stated the program was very well received and thanked Dr. Rhodes for her outstanding.

Paul Weber Teaching Awards

Provost Willihnganz distributed pamphlets containing the first ever Paul Weber Award for Departmental Achievement in Teaching and Departmental Teaching Development Awards. The reception for the recipients will be March 1. The Departmental Achievement in Teaching Award (\$25,000) recognizes outstanding departments/small schools within the University of Louisville that have already implemented curricula or created teaching methodologies to promote graduate or undergraduate student engagement and retention. The Departmental

Teaching Development Award (\$25,000) supports the plans of outstanding departments/small schools within the University of Louisville to develop curricula or teaching methodologies that will enhance graduate or undergraduate student engagement and retention when implemented.

Faculty Favorites

Provost Willihnganz distributed a DVD to each trustee that depicted the current winners of the Faculty Favorites awards. Students voted online for their favorite professors with an explanation why the professor deserved the award. The University usually receives 350-400 nominations. The Award recognizes faculty for exceptional teaching.

XII. Report of the President

Mid Year Update on 2006-07 Board Goals

President Ramsey distributed a mid-year progress report of the 2006-07 Office of the President Goals. Dr. Ramsey said he was very pleased with the results of these assignments and looked forward to discussing them in greater detail at the end of the academic year. He highlighted a few of the university-wide successes. He acknowledged the Council on Postsecondary Education's announcement of the University of Louisville as the only university to achieve all eight of its eight diversity goals. UofL has made significant progress in the area of graduation and retention. For the first time in the University's history, graduation rates have surpassed the 40th percentile. Dr. Ramsey thanked Provost Willihnganz for her leadership in this area. Cohort retention rates of freshmen and sophomore classes exceeded expectations. President Ramsey expressed confidence in the University achieving its goals by the end of the fiscal year.

Update on Athletic Academic Administration

President Ramsey asked Vice President Jurich to introduce Mr. Marvin Mitchell. Vice President Jurich said that during Mr. Mitchell's six years at UofL, student-athlete academic progress has significantly improved each year. Mr. Mitchell works with the student-athletes to change their lives and become well-educated individuals. Mr. Mitchell displays a strong passion for his job. The Board gave Mr. Mitchell a round of applause. Mr. Mitchell recognized his dedicated staff and distributed Athletic Academic Administration's "Quick Facts" sheet. Highlights include:

- \$6,500,000 spent for student-athlete financial assistance, including tuition and board;
- 643 student-athletes, spirit team members, managers and trainers provided academic/athletic services by the Athletic Department;
- 296 student-athletes who received a 3.0 or higher GPA for Fall 2006 (AD's honor roll)

- 199 student-athletes with a 3.25 cumulative GPA who will be honored at the annual Red and Black Banquet
- 31 former student-athletes who will complete their degrees with assistance from the Bridgeman-Housing Fellows Program
- 12 football players with at least a 3.0 GPA named to the 2006 Big East All-Academic team
- 10 out of 18 Cardinal Athletic teams had a 3.0 or higher GPA for Fall 2006
- William Gay and Amobi Okoye took 3.5 years to graduate. Both were key members of the Orange Bowl championship team and are likely future NFL players
- Field Hockey team has the highest team GPA of 3.6 for two years

Mr. Mitchell reported a 56% graduation rate for student-athletes. Mr. Helman commended Vice President Jurich and Mr. Mitchell for their commitment to the athletic program. He noted the Bridgeman-Houston Fellowship Program as an exceptional program for athletes recruited to the University to complete their degrees after exhausting NCAA eligibility. Chair Porter thanked Mr. Mitchell for an excellent report.

Update from Dean Felner on the Doctorate in Professional Practice

President Ramsey updated the board on discussions in Frankfort related to proposals for three regional schools to offer a doctorate in education, Ed.D. Dr. Ramsey testified in the legislative session about the feasibility and financial impact such action could have on the state. Dean Felner reported the Carnegie Institute approved a joint proposal by the University of Louisville and the University of Kentucky to become one of twenty sites nationally to launch a doctorate in professional practice. This was very special recognition.

Briefing on LMCDC

Due to the lengthy meeting, President Ramsey postponed this presentation.

Welcome Reception

President Ramsey thanked Mr. and Mrs. Abrams for hosting a welcome reception for recently hired administrators. Dr. Ramsey noted the same night, Vice President Hall attended Western Middle School for the Century Scholars Program.

XIII. Report of the Chairman

The Chair had no report.

XIV. Adjournment

Mr. Stone made a motion, which Ms. Loving seconded, to adjourn the meeting at 3:50 p.m. The motion passed unanimously.