

MINUTES OF THE FINANCE COMMITTEE OF THE
UNIVERSITY OF LOUISVILLE BOARD OF TRUSTEES

October 2, 2008

In Open Session

Members of the Finance committee of the University of Louisville Board of Trustees met on Thursday, October 2, 2008, in the Jefferson Room of Grawemeyer Hall, with members present and absent as follows:

Present: Ms. Rebecca Jackson, Chair
Mr. Rudolph Spencer, III
Mr. Frank Minnifield
Mr. Bill Stone

Absent: Dr. Bill Selvidge
Mr. Ron Butt
Ms. Debbie Scoppechio

Other Trustees

Present: Ms. Marie Abrams
Mr. Brent Fryrear
Dr. Salem George
Ms. Margaret Handmaker
Prof. Melissa Laning
Ms. Brucie Moore
Mr. Steve Poe
Ms. Sandy Metts Snowden

From the
University:

Dr. James Ramsey, President
Dr. Shirley Willihnganz, Executive Vice President and Provost
Dr. Larry Cook, Executive Vice President for Health Affairs
Dr. Manuel Martinez, Executive Vice President for Research
Mr. Keith Inman, Vice President for University Advancement
Mr. Mike Curtin, Vice President for Finance
Ms. Priscilla Hancock, Vice President for Information Technology
Mr. Larry Owsley, Vice President for Business Affairs
Dr. Thomas Jackson, Jr., Vice President for Student Affairs
Mr. Dan Hall, Vice President for Community Engagement
Ms. Angela Koshewa, University Counsel
Ms. Terri Rutledge, Associate Vice President for Business Affairs
Ms. Susan Ingram, Director of Budgets
Ms. Anne Rademaker, Manager, General Accounting and Reporting

Ms. Cynthia Hess, Director of Communications
Ms. Carolyn Cochran, Assistant to the Provost
Mrs. Kathleen M. Smith, Assistant Secretary
Mrs. Debbie Dougherty, Board Liaison

I. Call to Order

Having determined a quorum present, Chair Jackson called the meeting to order at 1:10 p.m.

Approval of Minutes, May 8, 2008

Mr. Spencer made a motion, which Mr. Stone seconded, to approve the minutes of May 8, 2008. The motion passed.

II. Action Item: Approval of Changes to 403(b) Retirement

Vice President Owsley reported that new IRS regulations governing 403(b) plans require the plan documents to be updated by January 1, 2009. In addition to the required updates the University recommends additional best practice improvements that are budget-neutral to the university. Mr. Owsley summarized the changes:

- Written Plan Document Requirement - The regulations require that every 403(b) plan must have a plan document. The university has combined its basic and supplemental options into a single comprehensive document.
- Universal Availability and Participant Notification - The regulations require that if any employee of an employer is permitted to make elective salary deferrals, then all employees (with the exception of those working less than 1,000 hours per year) must be permitted to make elective salary deferrals. The plan document changes will allow any employee, once he or she is eligible, to participate. In compliance with the regulations, the university will notify all employees of the eligibility rules and make them aware of this benefit in a consistent manner.

Vice President Owsley noted the recommendation includes the following budget-neutral improvements to conform to current “best practices,” along with additional minor changes below.

- Automatically enroll employees after they satisfy the “eligibility period” (12 months of service). The university will specify a default investment allocation for eligible employees. The default investment allocation can be changed by the employee at any time.
- Allow participants to make “Roth” contributions to their accounts.

- Allow rollovers to an eligible retirement plan for a beneficiary of a deceased participant.

III. Other Business

There was no other business

VII. Adjournment

Mr. Spencer made a motion, which Mr. Stone seconded, to adjourn the meeting at 1:20 p.m. The motion passed.

COMMITTEE ACTION

Passed _____X____
Did not pass _____
Other _____
Date _____

Katalin M. Smith

Assistant Secretary