

Shumake, Connie Covington

From: President's Office, Service Account
Sent: Wednesday, June 07, 2017 3:27 PM
To: President's Office, Service Account
Subject: UofL Foundation forensic audit

Friends and colleagues,

Tomorrow the University of Louisville Board of Trustees will receive the forensic audit of the UofL Foundation that has been conducted by Alvarez and Marsal. We look forward to seeing the audit, and we will share it with the UofL community immediately following the board meeting.

It's important to remember that the audit covers the period before the recent changes in the University administration, the Board of Trustees and the Foundation Board of Directors and administration. Since the audit was launched in December 2016, the Foundation has taken many steps to improve its operation and to ensure more transparency in its activities. Those changes include:

- Ending the deferred compensation plan for future UofL executives
- Prohibiting the University president from serving as Foundation president
- Complying with Kentucky's open records law and responding to open records requests in a timely manner
- Updating the Foundation website with clear financial information
- Establishing a line-item budget with actual expenses matching actual revenues
- Implementing new policies regarding gift agreements to ensure donations are spent according to donors' wishes and unspent funds don't get mixed with endowment funds
- Adopting new travel, entertainment and expense policies
- Appointing 12 new ULF board members

Along with these changes, the audit should help us close the door on the previous chapter for both the University and the Foundation.

I want to thank our faculty, staff and students for continuing to focus on our outstanding academic programs. And I look forward to working with you in the future to maintain the positive momentum we have built toward our ultimate goal of becoming one of America's premier metropolitan research universities.

Again, we will share the audit with all of you immediately following tomorrow's Board of Trustees meeting.

Thanks for your support. And best wishes,

Greg Postel, M.D.
Interim President