

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

June 28, 2017

In Open Session

Members of the University of Louisville Board of Trustees met at 1:02 p.m. on June 28, 2017, in the Jefferson Room of Grawemeyer Hall, with members present and absent as follows:

Present: Mr. David Grissom, Chairman Pro Tempore
Mr. William Armstrong
Ms. Bonita Black (via videoconference)
Mr. Brian Cromer (arrived at 1:17 p.m.)
Ms. Sandra Frazier
Ms. Diane Medley
Mr. James Rogers
Mr. Nitin Sahney
Mr. John Schnatter (via videoconference)
Prof. Enid Trucios-Haynes
Mr. Aaron Vance
Dr. Ron Wright (arrived at 1:05 p.m.)

From the
University: Dr. Greg Postel, Interim President and Interim Exec. VP for Health Affairs
Dr. Dale Billingsley, Acting Executive Vice President and University Provost
Ms. Leslie Strohm, Vice President for Strategy and General Counsel
Mr. Tom Jurich, Athletic Director and VP for Athletics
Mr. Keith Inman, Vice President for University Advancement
Ms. Susan Howarth, Interim CFO
Mr. Lee Smith, Interim COO (arrived at 12:16 p.m.)
Dr. Toni Ganzel, Dean, School of Medicine
Mr. Kevin Miller, Assoc. Athletic Director
Dr. Michael Mardis, Dean of Students
Mr. Kenny Klein, Associate Athletic Directors
Ms. Ingrid Gentry, Interim Controller
Mr. John Drees, Interim Sr. Assoc. VP for Communications and Marketing
Mr. John Karman, Director of Media Relations
Mr. Rick Pitino, Head Coach of Men's Basketball Team (arrived at 1:12 p.m.)
Mr. Vishnu Tirumala, SGA President-elect
Mr. Jake Beamer, Boards Liaison and Assistant Secretary

Outside
Counsel: Mr. Sam Hinkle, Stoll Keenon Ogden, PLLC

I. Call to Order

Mr. Beamer read the roll. Having determined a quorum present, Chairman Grissom called the meeting to order at 1:02 p.m.

Approval of Minutes, 6-15-2017

Mr. Rogers made a motion, which Ms. Frazier seconded, to approve the minutes of the June 15, 2017 meeting. The motion passed.

II. Action Items: UofL Hospital

Interim President Postel briefed the Board on the Academic and Affiliation and Lease Agreements between the University and UMC regarding the transition of UofL Hospital management, noting these were the last legal documents necessary to complete the process.

Per the Executive Summary accompanying the recommendations, the Academic Affiliation Agreement is a two year term with three one-year renewal options; maintains the designation of University of Louisville Hospital as the University's principal adult teaching hospital; grandfathers the University's existing clinical and academic programs with its other teaching hospitals; maintains the current financial commitments to the University for (i) salary and benefits for 242.7 FTE residents, (ii) Health Sciences Center academic mission support, (iii) clinical and other services provided by the University or its clinical faculty to the University of Louisville Hospital; and limits UMC from taking certain actions without prior University approval (e.g., sale or lease of substantially all of the assets; merger or consolidation; reduction of services lines or programs at ULH if doing so may jeopardize School of Medicine accreditations).

The Lease between UofL and UMC shortens the length of the term to make it coterminous with the Academic Affiliation Agreement; is an initial two year term with three one-year renewal options; and requires a \$7 million annual lease payment to the University.

Academic Affiliation Agreement with UMC

Mr. Sahney made a motion, which Prof. Trucios-Haynes seconded, to approve the

Interim President's recommendation that the Board of Trustees authorize him to sign, on the University's behalf: (i) an Amended and Restated Academic Affiliation Agreement with University Medical Center, Inc., in substantially the same form provided, subject to any necessary authorizations or approvals being granted by the Commonwealth of Kentucky.

The motion passed.

Lease Agreement with UMC

Mr. Rogers made a motion, which Dr. Wright seconded, to approve the

Interim President's recommendation that the Board of Trustees authorize him to sign, on the University's behalf: (ii) an Amended and Restated Lease Agreement with University Medical Center, Inc. for the lease of University of Louisville Hospital; in substantially the same form provided, subject to any necessary authorizations or approvals being granted by the Commonwealth of Kentucky.

The motion passed.

III. Update on Presidential Search Committee

Search Committee Composition

Chairman Grissom requested the Board consider a resolution to have the entire Board of Trustees lead the presidential search, and also dissolve the previously appointed subcommittees to Select and Retain an Executive Search Firm, and to Develop a Leadership Profile. He noted the resolution also authorizes him to issue an RFP for a search firm to assist in identifying and recruiting outstanding candidates for the position of President of UofL. The Board will interview the top 2 or 3 firms identified in the RFP process.

Additionally, the Chairman stated the resolution commits the Board to design and implement a plan of outreach for seeking broad perspectives and input on the search process, including from the Faculty Advisory Committee, faculty members, students, staff, alumni, current/former trustees, donors, related foundations and associations, the Board of Overseers, and citizens and leaders of the Commonwealth and local community.

Ms. Frazier made a motion, which Mr. Armstrong seconded, to approve the following resolution:

The Board of Trustees resolves that, to enhance the efficiency of the search process and ensure that all members of the Board of Trustees receive timely and complete information throughout the process, the search will now be led by the Board of Trustees as a body, rather than by a separately appointed Search Committee;

The Subcommittee to Select and Retain an Executive Search Firm and the Subcommittee to Develop a Leadership Profile, together with the previously appointed Presidential Search Committee, shall be dissolved;

The Board of Trustees authorizes the Chair of the Board of Trustees to issue an RFP for an executive search firm to assist in identifying and recruiting outstanding candidates for the position of President of the University of Louisville, with the expectation that the top two or three search firms identified in the RFP process will interview with the full Board; and

The Board of Trustees commits itself to designing and implementing a plan of outreach for seeking broad perspectives and input on the search process from the diverse community served by the University, including the Faculty Advisory Committee composed according to the Redbook, faculty members, students, staff, alumni, current and former trustees, donors, related foundations and associations, the Board of Overseers, and citizens and leaders of the Commonwealth and local community. To ensure full participation, these outreach opportunities are expected to commence at the start of the Fall semester.

The motion passed.

IV. Report of the Ad Hoc Committee on Board Governance

Action Item: Approval of MOU with ULF

Ms. Black presented the Memorandum of Understanding between the University and the Foundation.

The Chairman and Dr. Postel thanked Ms. Black and her committee for their work, noting it represents the best interest of the University and accurately states the relationship and mechanism between the two boards.

Ms. Black made a motion, which Prof. Trucios-Haynes seconded, to approve the

Chair of the Ad Hoc Committee on Board Governance's recommendation that the Board of Trustees approve the Memorandum of Understanding between the University of Louisville and the University of Louisville Foundation, Inc., in the form attached.

The motion passed.

V. Executive Session

Prof. Trucios-Haynes made a motion, which Dr. Wright seconded, to go into Executive Session at 1:12 p.m. to discuss litigation and personnel matters pursuant to KRS 61.810(1)(c) and (f).

The motion passed.

Mr. Pitino departed the meeting at 1:47 p.m.

Mr. Vance departed the meeting at 2:22 p.m.

VI. Open Meeting Reconvenes

The open meeting reconvened at 2:35 p.m. Chairman Grissom reported the board discussed litigation and personnel matters.

Mr. Cromer made a motion, which Prof. Trucios-Haynes seconded, to approve the following resolution:

RESOLVED, the Board of Trustees endorses the President's recommendation that the University appeal two elements of the NCAA Committee on Infraction's decision in NCAA Matter 527:

- 1. The financial penalties consisting of all revenues received through conference revenue sharing in the 2012-2015 men's basketball tournaments;**
- 2. The vacation of all regular season and conference tournament wins in which ineligible student athletes competed.**

The motion passed.

Appointment of Audit Committee

Chairman Grissom appointed the Audit Committee as follows: Diane Medley, Chair, and members William Armstrong, Bonita Black, and James Rogers.

VII. Adjournment

Dr. Wright made a motion, which Ms. Frazier seconded, to adjourn.

The motion passed and the meeting adjourned at 2:38 p.m.

Approved by:


Signature on File
Assistant Secretary