

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

September 19, 2024

In Open Session

Members of the Finance Committee of the University of Louisville Board of Trustees met on September 19, 2024, at 2:50 p.m., in the Jefferson Room, Grawemeyer Hall, Belknap Campus, with members present and absent as follows:

Present: Dr. Larry Benz, Chair Pro Tem
Dr. Raymond Burse
Mr. Chris Dischinger
Mr. Brian Lavin
Dr. Eugene Mueller
Ms. Allie Rose Phillips

Other Trustees

Present: Mr. Jerry Abramson
Mr. Al Cornish
Mr. Kevin Ledford
Ms. Diane Medley
Ms. Diane Porter
Ms. Sherrill Zimmerman

From the

University: Dr. Kim Schatzel, President
Dr. Gerry Bradley, Executive Vice President and University Provost
Dr. Jeffrey Bumpous, Interim Executive Vice President for Health Affairs
Dr. Jon Klein, Interim Executive Vice President for Research and Innovation
Mr. Charlie Perusse, Interim Executive VP for Finance & Administration
Mr. Riggs Lewis, Vice President for External Affairs and Communications
Mr. Darrell Clark, Vice President for Human Resources
Mr. Douglas Craddock, Vice President for Community Engagement
Ms. Angela Curry, General Counsel & VP for Governance & Strategic Initiatives
Ms. Julie Dials, Vice President for Philanthropy and Alumni Engagement
Mr. Lee Gill, Vice President for Institutional Equity
Mr. Josh Heird, Vice President for Athletics and Athletic Directors
Dr. Michael Mardis, Vice President for Student Affairs and Dean of Students
Ms. Jill Mullaney, Interim Vice President for Finance and Budget
Ms. Sandy Russell, Vice President for Risk, Audit, and Compliance
Ms. Michelle Comer, Assistant Vice President for Finance, Controller/Treasurer
Ms. Rebecca Stahl, Associate Vice President and Deputy General Counsel
Ms. Meg Campbell, Assoc. VP for University Planning, Design, & Construction
Mr. Sajid Mian, Associate Vice President for Facilities Management
Dr. Gail DePuy, Senior Vice Provost
Mr. Bob Goldstein, Vice Provost for Inst. Research, Effectiveness & Analytics

Mr. Jim Begany, Vice Provost for Strategic Enrollment Management
Dr. Cherie Dawson-Edwards, Vice Provost for Faculty Affairs
Mr. Chris Wooton, Director of Internal Communications
Dr. Karen Cardarelli, Dean, School of Public Health and Information Sciences
Dr. Karlis Kaugars, Vice Provost for ITS and Chief Information Officer
Mr. Jerry Johnson, Chief of Staff to the EVPFA
Mr. Derek Hottell, Assistant Director for Accreditation and Academic Programs
Ms. Tammy Green, Coordinator in the Office of the EVP and University Provost
Prof. Jessica Gibb, Health and Sports Sciences
Ms. Alaina Pike, Executive Asst. to the VP for Risk, Audit, & Compliance
Lt. Col. Jessie Murnock, Senior Director of Presidential Operations
Ms. Kaelah McMonigle, Executive Assistant to the VP for External Affairs
Mr. Jake Beamer, Dir. of Governance & Strategic Initiatives & Asst. Secretary

From the UofL

Foundation: Mr. Keith Sherman, Executive Director and Chief Operating Officer

I. Call to Order

Dr. Benz called the roll and having determined a quorum present, called the meeting to order at 2:50 p.m.

Approval of Minutes, 6-27-2024

Dr. Mueller made a motion, which Dr. Burse seconded, to approve the minutes of the June 27, 2024, meeting.

The motion passed.

II. Report of the Interim Executive Vice President for Finance & Administration

Mr. Perusse's report consisted of an action item and two information items.

Action Item: Financing of IT Firewall & Web Enhancements

Ms. Comer briefed the committee on the recommendation to fund the IT Security Firewall and Website Redesign project. She explained that in order to do so, the university desires to expand lease financing with First American Equipment Finance resulting in a new \$8.1 million, five-year lease term at a fixed rate of approximately 5.80% to fund the following projects:

- \$2.1 million to upgrade the IT security firewall, and
- \$6.0 million to redesign the website to bring improvements, new ideas, marketing materials, digital assets, campaigns, and consistency between content.

Ms. Comer and Mr. Perusse then fielded questions from committee members.

Mr. Lavin made a motion, which Dr. Burse seconded, to approve the

President's recommendation that the Board of Trustees approve borrowing of up to \$8.1 million to fund the IT Security Firewall and Website Redesign Project. Funding will be provided by First American Equipment Finance.

The motion passed.

Annual Budget Calendar

Ms. Mullaney discussed with the committee the university's annual budget calendar, **attached**, noting that going forward, the UofL Athletic Association and its associated budget would be included in all budget discussions and preparatory exercises. The Board of Trustees will be invited to participate where appropriate.

Ms. Mullaney then fielded questions from trustees.

No action was taken.

Facilities Update

Ms. Campbell and Mr. Mian shared the **attached** presentation that displayed before and after pictures of various upgrades to university facilities. These included classrooms, an auditorium, an instructional courtroom, laboratories, commons areas, lobbies, mechanical rooms, building exteriors, and ADA compliance upgrades.

They then fielded questions from committee members.

No action was taken.

III. Adjournment

Having no other business to come before the committee, Mr. Lavin made a motion, which Dr. Mueller seconded, to adjourn.

The motion passed and the meeting adjourned at 3:15 p.m.

Approved by:


Signature on file
Assistant Secretary

RECOMMENDATION TO THE
UNIVERSITY OF LOUISVILLE BOARD OF TRUSTEES
CONCERNING A RESOLUTION TO FINANCE
IT SECURITY FIREWALL AND WEBSITE ENHANCEMENT

Finance Committee – September 19, 2024
Executive & Compensation Committee – September 19, 2024

RECOMMENDATION:

The President recommends that the Board of Trustees Finance Committee approve borrowing of up to \$8.1 million to fund the IT Security Firewall and Website Redesign Project. Funding will be provided by First American Equipment Finance.

BACKGROUND:

See term sheet, as [attached](#).

The University seeks to expand lease financing with First American Equipment Finance resulting in a new \$8.1 million, five-year lease term at a fixed rate of approximately 5.80% to fund the following projects:

- \$2.1 million, the University has undertaken the initiative to upgrade the IT security firewall through Palo Alto.
- \$6.0 million, the University has engaged a strategic partner to redesign the website to bring improvements, new ideas, marketing materials, digital assets, campaigns, and consistency between content.

COMMITTEE ACTION:

Passed X

Did Not Pass

Other


Signature on file _____
Assistant Secretary

BOARD ACTION:

Passed X

Did Not Pass

Other


Signature on file _____
Assistant Secretary

University Budget Shared Governance Communication Calendar

	Proposed
University <i>Communicate finalized budgets</i>	July
Budget status--unit and university <i>Individual monthly strategic and financial meetings with Deans, Vice Provosts, Vice Presidents, lead fiscal officers</i>	August -June
Updates to Senior leadership team (SLT)	September, October, January, & April
Updates to university community <i>Fireside chat about budget status & upcoming budget development</i> <i>Townhalls to share budget development process</i>	January or February August & November
Updates to Senates and SGA <i>Establishing regular meeting cadence with executive committees</i> <i>Annual updates to committees at large</i>	July-June

Budget Calendar Key Decisions Timeline

	Proposed
Budget principles	November
Budget strategic priorities	December - April
Senior Leadership team (SLT) strategic budget requests	December - January
Senates and SGA input	December - February
Revenue forecasts <i>Tuition revenues</i> <i>Housing, parking, etc.</i> <i>Foundation funds</i> <i>Sponsored research</i> <i>ULP / clinical</i> <i>State appropriations</i>	December- March
Strategic initiatives <i>(e.g., salary increases)</i> <i>(e.g., institutional financial aid)</i> <i>(e.g., unit initiatives/requests)</i> <i>capital planning/budget</i>	February - April
Cost allocations <i>Fringe benefits</i> <i>IT costs</i> <i>Institutional financial aid</i> <i>Other</i>	February - March
Multi-year outlook	April
Budget workshop for Board Materials to board- UofL and ULAA	May
Board of Trustee adoption Materials to board- UofL and ULAA	June

Proposed Annual Budget Calendar

Proposed	Proposed Communication & Budget Decision Budget annual timeline
July	University <i>Communicate finalized budgets</i>
July-June	Updates to Senates and SGA <i>Establishing regular meeting cadence with executive committees</i> <i>Annual updates to committees at large</i>
August -June	Budget status--unit and university <i>Individual monthly strategic and financial meetings with Deans, Vice Provosts, Vice Presidents, lead fiscal officers</i>
August & November	Updates to university community <i>Townhalls to share budget development process</i>
September, October, January, & April	Updates to Senior leadership team (SLT)
November	Budget principles
December - April	Budget strategic priorities
December - January	Senior Leadership team (SLT) strategic budget requests
December - February	Senates and SGA input
December- March	Revenue forecasts <i>Tuition revenues</i> <i>Housing, parking, etc.</i> <i>Foundation funds</i> <i>Sponsored research</i> <i>ULP / clinical</i> <i>State appropriations</i>
January or February	Updates to university community <i>Fireside chat about budget status & upcoming budget development</i>
February - April	Strategic initiatives <i>(e.g., salary increases)</i> <i>(e.g., institutional financial aid)</i> <i>(e.g., unit initiatives/requests)</i> <i>capital planning/budget</i>
February - March	Cost allocations <i>Fringe benefits</i> <i>IT costs</i> <i>Institutional financial aid</i> <i>Other</i>
April	Multi-year outlook
May	Budget workshop for Board Materials to board- UofL and ULAA
June	Board of Trustee adoption Materials to board- UofL and ULAA

Facilities Update

(Meg Campbell / Sajid Mian)

September 19, 2024

Classroom Upgrades

School of Nursing: Classroom (before and after)



Renovation of Nursing classroom to provide a more interactive space for classes. Upgrade included paint, flooring, furniture and replacement of old systems.

Donald E. Baxter: Auditorium 001 (before and after)



Renovation of auditorium to provide a quality space for lectures and classes. Space was previously not being used because of lack of technology and quality of room. Funded with Asset Preservation Funds.

Brigman Hall: Classroom 100C (before and after)



Renovation of classroom: painting, carpet, furniture and redesigned classroom floor plan.

Brandeis School of Law: Courtroom (before and after)



Renovation of courtroom: New tables and chairs, paint, and flooring to provide quality updated space for classes.

Lab Upgrades

Life Sciences: 212 Lab (before and after)



Renovation of lab to modernize and upgrade space to incorporate ADA features.

School of Medicine: 511 Lab (before and after)



Renovation and redesign of space to accommodate research needs, which included new floors, paint and tables for research.

Common Area Upgrades

School of Nursing: Student Lounge (before and after)



College of Education & Human Dev. Lobby (before and after)



Renovation of lobby to upgrade for a welcoming space for students.

Houchens: First Floor Lobby (before and after)



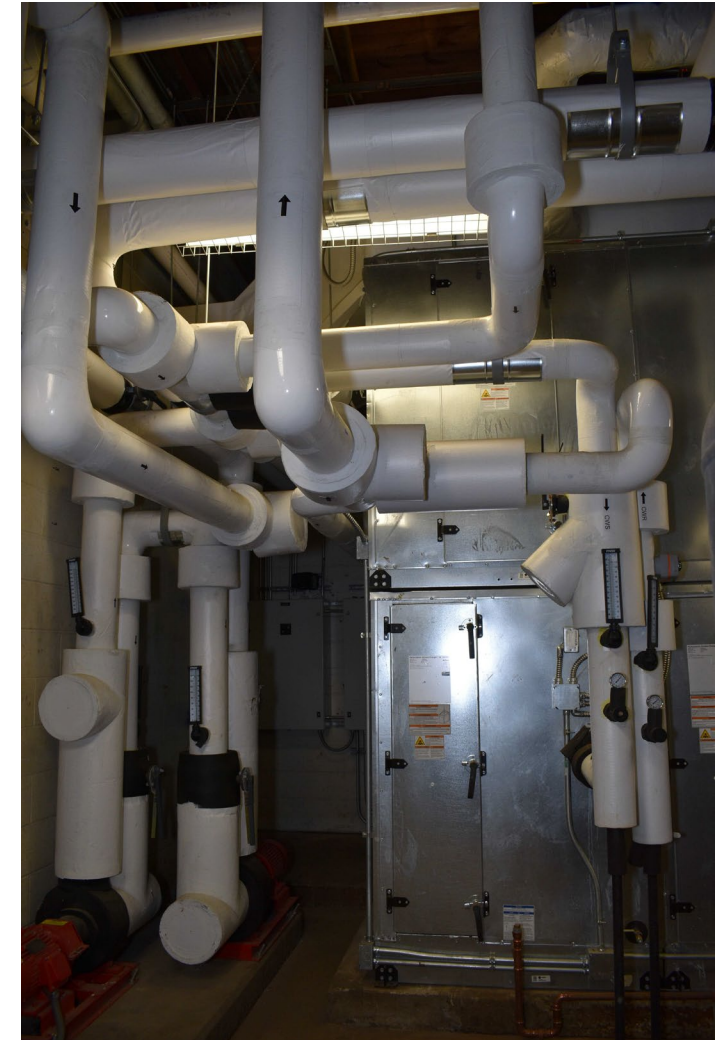
Lobby renovation included painting, flooring and wall graphics to provide a quality space for students to access the student service departments.

Mechanical/HVAC Upgrades

Thrust Studio Arts: Mechanical Room (before)



Thrust Studio Arts: Mechanical Room (after)



Music School: Mechanical Room (before)



Music School: Mechanical Room (after)



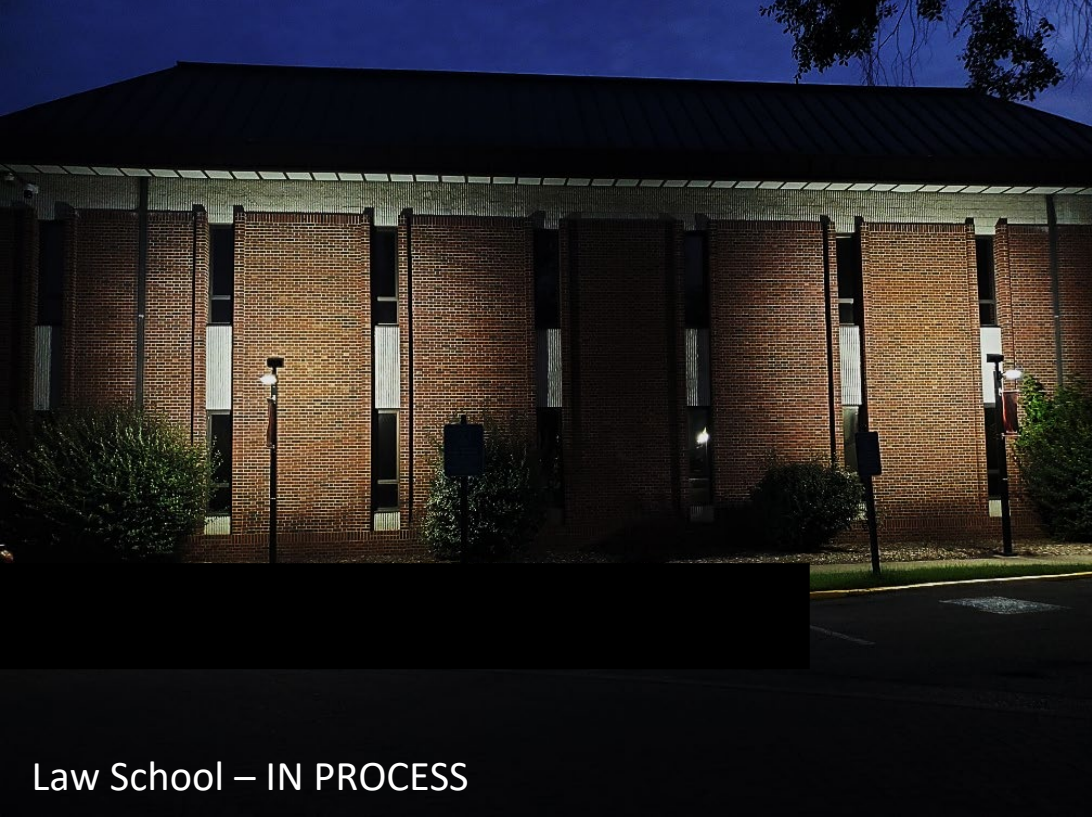
Exterior Upgrades

Houchens: Exterior Renovation (before and after)



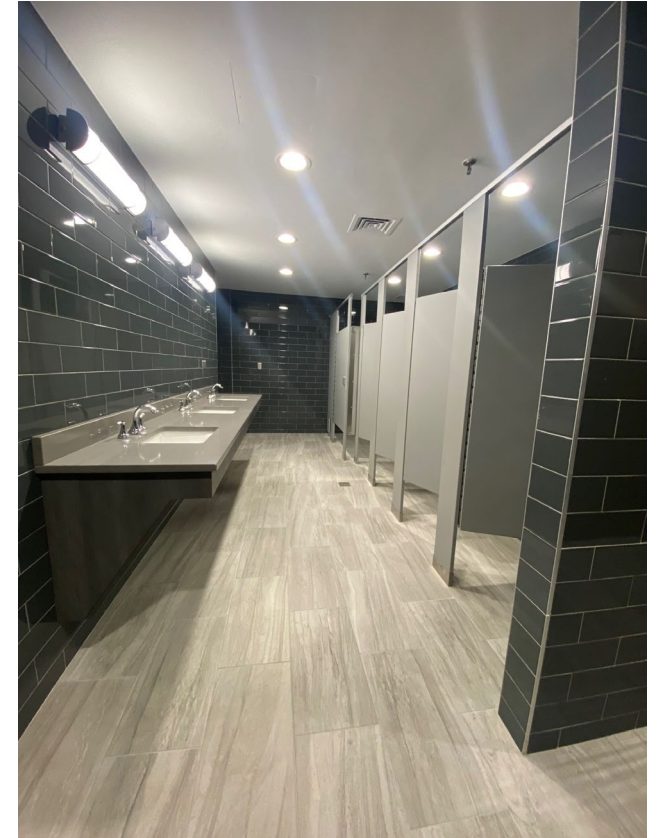
Paint the exterior of Houchens building for fresh update to tie into surrounding buildings and landscape.

Law School: Lighting (before and after)



ADA Upgrade

College of Education & Human Dev.: Restroom (before and after)



Questions?