

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

In Open Session

The University of Louisville Board of Trustees met at 1:00 p.m., on Tuesday, June 6, 2006, in the Jefferson Room, Grawemeyer Hall, Belknap Campus, with members present and absent as follows:

Present: Ms. Sandra Metts Snowden, Treasurer, Presiding
Ms. Donna Tinsley Denny
Mr. Bill Forman
Dr. Salem George
Ms. Margaret Handmaker
Mr. Grant Helman
Dr. Robert Curtis Hughes
Ms. Jessica Loving
Mr. Darrell Messer
Prof. Bill Pierce
Mr. Bill Stone
Ms. Beth Worland

Absent: Ms. Marie Abrams
Mr. Ulysses L. Bridgeman, Jr.
Mr. Tommie Burns
Mr. Owsley B. Frazier
Mr. Nathaniel Green
Mr. Steve Poe
Mr. J. Chester Porter, Chairman

Participating
by Phone: Mr. Kevin Cogan

From the
University: Dr. James R. Ramsey, President
Dr. David Howarth, Associate University Provost
Ms. Angela D. Koshewa, University Counsel
Dr. Nancy Martin, Senior Vice President for Research
Mr. Ron Moore, Vice President for Information Technology
Mr. Larry Owsley, Vice President for Business Affairs
Mr. Mike Curtin, Vice President for Finance
Mr. Dan Hall, Vice President for External Affairs
Mr. John Drees, Associate Vice President for Communications & Marketing
Ms. Susan Howarth, Director of Budgets
Ms. Anne Rademaker, Manager, General Accounting and Reporting

Ms. Carolyn Cochran, Provost's Office
Ms. Kathleen M. Smith, Assistant Secretary
Ms. Debbie Dougherty, Board Liaison

Guests: Mr. John Hindman, United Parcel Service
Mr. Burt Deutsch, UofL Foundation
Dr. Don Miller, Director, James Graham Brown Cancer Center

I. Call to Order

Ms. Snowden informed the board that as Chair Porter was unavoidably absent because of business matters and Vice Chair Green was out of town, Chair Porter requested that she chair the meeting. Having determined a quorum present, Ms. Snowden called the meeting to order at 1:00 p.m.

II. Consent Agenda

A. Approval of Minutes

- Minutes from Special Joint Meeting of the Board of Trustees and ULAA Board of Directors, 1/12/06
- Board Meeting, 4/18/06
- Minutes from Executive Committee Meeting, 5/11/06

B. From the Trustees Award Committee

- Approval of 2007 Trustees Award Announcement
- Approval of Delegation of Authority to the Trustees Award Committee to Make Changes to the Announcement, Criteria, and Future Improvements

C. From the Personnel Committee

- Approval of Monthly Personnel Recommendations, May, 2006
- Approval of Monthly Personnel Recommendations, June, 2006
- Approval of Personnel Policy for Speed Engineering School
- Approval of Personnel Policy for College of Business
- Approval of Honorary Degree Candidates

D. From the Finance Committee

- Approval of Renovation of Office of Admissions Campus Visit Room
- Action Item: Approval of Operating Budget for 2006-07

E. From the Executive Committee

- Approval of Policy to Develop Strategic/Business Plan, a Comprehensive University Branding Concept, and A Capital Campaign Strategy

F. From the Compensation Committee

- Approval of Action on President's Bonus and Compensation
- Approval of Action on Annual Goals for 2006-07
- Approval of Discretionary Bonus for Office of the President Leadership Team

Ms. Snowden read the roll of consent agenda items. Hearing no objection, Mr. Stone made a motion, which Mr. Helman seconded, to approve the consent agenda. The motion passed unanimously.

III. Action Item: Authorization to Executive Committee to Act on Degree Candidates

Ms. Snowden noted this action authorizes the Executive committee to act for the Board. Mr. Helman made a motion, which Ms. Loving seconded, to approve the

Chairman's recommendation that the Board authorize the Executive Committee to act for the Board to approve the candidates for graduation in August 2006.

The motion passed unanimously.

IV. Action Item: Approval of Capital Construction Projects

- Medical School Room 55B Renovation
- Law School Renovation

The President reported that the construction of new laboratory space for the Birth Defects Center would be used by Dr, Dennis Molfese. Dr. Molfese will join Dr. Bob Green and the Birth Defects team. The renovation of a classroom in the Law School is part of a long term project which began in 2003 to update the facilities. Prof. Pierce made a motion, which Mr. Stone seconded, to approve the

President's recommendation that the following projects be approved:

<u>PROJECT:</u>	<u>ESTIMATED COST:</u>	<u>FUND SOURCE:</u>
Medical School Renovation	\$305,200	Federal Grant
Law School Renovation	\$114,500	Plant Funds & Gifts

The motion passed unanimously.

V. Action Item: Approval of Establishment of Humana Foundation Professorship in Clinical Trial Research

The President explained that the endowment match would establish the Humana Foundation Professorship in Clinical Trial Research. The Humana Foundation has contributed \$500,000 to be matched by the Research Challenge Trust Fund to establish this professorship at \$1 million. The professorship would be in the James Graham Brown Cancer Center. Prof. Pierce made a motion, which Mr. Forman seconded, to approve the

President's recommendation that the Board of Trustees:

approve the establishment of a professorship in clinical trial research in the School of Medicine that will be matched by the Commonwealth's Endowment Match Program; and

authorize the Chair of the Board of Trustees to execute any documents required to complete the creation of this new endowed fund.

The motion passed unanimously.

VI. Report of the President

Resolutions of Appreciation

President Ramsey recognized Ms. Elizabeth Worland and Mr. Bill Forman for their excellent service to the University by reading resolutions into the record. Dr. George made a motion, which Mr. Messer seconded, to approve the following resolutions:

ELIZABETH HOWE WORLAND

WHEREAS, Elizabeth Howe Worland has served the University with distinction as a member of the Board of Trustees since her appointment by Governor Patton in 2000;

WHEREAS, in her capacity as a member of the Board, she served faithfully and well on various standing committees of the Board, including the Personnel Committee; the Finance Committee; the Trustees Award Committee; the Compensation Committee; and the ad hoc Committee on Bylaws.

WHEREAS, she willingly served on the Board of Directors of University affiliated corporations, including the University of Louisville Research Foundation, Inc.;

WHEREAS, she has given her full and loyal support to the University, thereby winning the admiration, affection, and respect of her fellow Trustees.

NOW THEREFORE BE IT RESOLVED, that the Board of Trustees of the University of Louisville hereby expresses its sincere admiration and deep appreciation to Elizabeth Howe Worland for her hard work and outstanding performance as a member of the Board of Trustees from July 2000 through June 2006; and

BE IT FURTHER RESOLVED, that a copy of this Resolution, appropriately signed, be presented to Ms. Worland.

BILL FORMAN

WHEREAS, Bill Forman has served the University with distinction as the representative of the staff to the Board of Trustees since 2004;

WHEREAS, in his capacity as a member of the Board, he committed his energy and experience to various standing committees of the Board, including the Academic and Student Affairs Committee, Executive Committee, Audit Committee, and Personnel Committee, leading the Personnel Committee as its vice chair for 2004-06;

WHEREAS, because of his many talents, he also served on various special University and Board Committees, including the 2005 Executive Vice President for Health Affairs Search Committee;

WHEREAS, he willingly served on the Board of Directors of university affiliated corporations, including the University of Louisville Research Foundation, Inc.; and

WHEREAS, he demonstrated his full and loyal support to the University, thereby winning the admiration, affection, and respect of his fellow Trustees.

NOW THEREFORE BE IT RESOLVED, that the Board of Trustees of the University of Louisville hereby expresses its sincere admiration and deep appreciation to Bill Forman for his hard work and outstanding performance as a member of the Board of Trustees from July 2004 through June 2006; and

BE IT FURTHER RESOLVED, that a copy of this Resolution, appropriately signed, be presented to Mr. Forman.

The motion passed unanimously. Ms. Worland and Mr. Forman received a round of applause.

Freshman Profile

The President reported the University has recruited the best freshman class in University history. He provided class statistics for the last six years. The President further noted that the University has students from all 120 Kentucky counties.

Freshman Profile

Year	Average GPA	Average ACT	ACT above 27	% of Class	Outside Jefferson County
1999	3.14	21.5	300	12.5%	
2000	3.24	22.1	399	16.8%	47.0%
2001	3.3	22.7	419	17.7%	49.8%
2002	3.38	23.3	472	21.0%	51.5%
2003	3.4	23.4	511	22.5%	52.1%
2004	3.42	23.6	527	22.7%	56.2%
2005	3.46	23.9	592	25.9%	54.7%
2006*	3.5	24.2	617	26.3%	60.0%

*projected

Grawemeyer Award in Music Composition at Carnegie Hall

The announcement of the 2007 University of Louisville Grawemeyer Award in Music Composition will be March 8, 2007 at Carnegie Hall in New York City. In addition, the Big East tournament will be held in Madison Square Gardens on March 7-10, 2007.

Recruitment of Endowed Chairs

The President reported that under the Challenge for Excellence the University's goal was to have 75 endowed chairs by 2008. The University now has 122 endowed chairs. The President recognized Dr. Don Miller as one of the early endowed chairs recruited under "Bucks for Brains" and asked him to update the board on the Brown Cancer Center's accomplishments.

Dr. Miller noted Kentucky needs better cancer care, citing the following statistics:

- Kentucky ranks 4th in US cancer mortality
- In 2003, 21,094 Kentuckians were diagnosed with cancer and 9,367 died
- Kentucky leads the nation in number of smokers, lung cancer incidence and tobacco related deaths
- Smoking incidence and lung cancer mortality increased in Kentucky during the 1990's

Dr. Miller provided a brief history of the Brown Cancer Center:

- Established in 1980 with \$12 million from the James Graham Brown Foundation and the citizens of Louisville
- Given to the University of Louisville in 1989
- Rapid growth period since 1999 with 86 new faculty and 100-fold growth in research support
- By comparison, Stanford Cancer program shrunk, UK recruited 8-10 new faculty

Dr. Miller recognized the importance of the Challenge for Excellence in creating these programs. Cancer is a huge problem in Kentucky, and many residents smoke. Clearly, this is a time of great growth for cancer research. He referenced ways the program has reciprocated the Challenge for Excellent support:

- Recruitment of 86 faculty into fifteen departments in five schools
- Brown Cancer Center has 24 endowed positions (UAB has 4)
- Eighteen are Bucks for Brains positions
- New endowed chairs
 - Allow recruitment of key faculty
 - Provide ongoing support for new faculty
- Leverage
 - \$15 million commitment in 2001 led to Brown Foundation gift of \$15 million
 - \$5 million commitment in 2005 led to \$10 million funding for Wendell Cherry Institute
 - Much of \$46 million philanthropy is directly related to Bucks for Brains matches

Dr. Miller discussed the scientific impact of the Brown Cancer Center research support. From the laboratory to the clinic, it provides better care for all citizens in Kentucky. It moves scientific discoveries in cancer to patients as efficiently as possible. He discussed the embryonic stem cell vaccine, GRO Aptamers as Cancer Therapeutics, very small embryonic-like stem cells, cancer cell metabolism, beta-glucan. Dr. Miller noted how ingesting colored berries can prevent development of lung cancer in smoking mice. Research has identified natural compounds in berry extracts which reduce the incidence of cancer in high risk subjects (former smokers). Dr. Miller acknowledged the partnership between the Brown Cancer Center and the Owensboro Cancer Research Center.

Dr. Miller recognized the Brown Cancer Center's impact on economic development. He summarized the impact of the Institute for Advanced Cancer Therapeutics (IACT):

- Biotech startup company which will be owned by UofL/Brown Cancer Center
- Financed by local investors and pharmaceutical partners
- Will develop new cancer therapeutics from the Brown Cancer Center through Phase I clinical trials
- Will allow the Brown Cancer Center to develop 2-3 new drugs per year

He shared the impact of the Wendell Cherry Clinical Trial Institute:

- Six endowed positions (three \$ 2 million chairs and three \$1 million professorships)
- Infrastructure to perform early phase clinical trials
- Statewide clinical network
- Will allow rapid translation of Brown Cancer Center discoveries to early phase trials

Dr. Miller shared future expectations of the Brown Cancer Center:

- Establishment as one of the preeminent cancer centers in the US
- Continued growth of nationally recognized clinical programs and clinical research
- Phase I and II trials – one or two new compounds per year out of our labs
- Development of novel stem cell therapeutics
- Discovery of natural methods of cancer prevention (dietary)

As a former cancer patient, Ms. Loving thanked Dr. Miller for his exceptional work in cancer research. Dr. Hughes noted the clinical trials are very impressive. President Ramsey thanked Dr. Miller for an excellent report.

Shelby Campus

The President briefed the Board on the master plan for the Shelby Campus and groundbreaking for the Biosafety Laboratory. The President identified Junior Bridgeman, Kevin Cogan, Charlie Dahlem, Joyce Hagen, Steve Poe, Sandy Metts Snowden, and Frank Weisberg as nominations for the advisory board to be chaired by Burt Deutsch. The President asked Mr. Deutsch to say a few words. Mr. Deutsch expressed his enthusiasm for this project and its development. Having been deeply involved in the building of Hurstbourne Green, Mr. Deutsch recognized the parallel potential.

Metropolitan College

The President observed the support the University has received from UPS in creating Metropolitan College – an academic opportunity for many Kentuckians to attend the University. Mr. Hindman talked about the concept of students working while attending college. In beginning discussions, UPS and UofL agreed

to a non-conventional strategy to recruit students pursuing post secondary degrees and provide UPS the staffing it needed. The partnership created an educational opportunity with tuition support. The program drew students from almost every county in Kentucky. It enhanced UPS's workforce with dedicated workers and reduced turnover rates. With employees remaining for the duration of their college careers, it created a workforce that helps the City of Louisville recruit companies to the community. He noted over 90 companies have relocated to Louisville to take advantage of this talented workforce pool. Mr. Hindman noted the program's overwhelming success. The program attracted business and engineering majors. UPS continues to move forward, expanding its workforce and investment. With the excellent program in place, staffing for the current expansion was not a concern. Mr. Hindman thanked President Ramsey and the Board of Trustees for their continued support of the Metropolitan College program. The Board applauded Mr. Hindman. Chair pro tem Snowden cited the newspaper article which referenced a condition for the expansion was the University's continued support. In response to Mr. Stone's inquiry concerning the distance from which students utilize this program, Mr. Hindman stated that virtually every county in Kentucky and some out of state students enroll in Metro College.

Steering Committee

The President has informed the Board that he has asked Chester Porter to chair the Steering Committee that will lead the planning process for charting UofL to its goal of becoming a premier metropolitan research university thus meeting the state's mandate in the higher education reform act.

Joint Board of Trustees and UofL Athletics Association Meeting

The President stated there will be a joint meeting with the UofL Athletics Association Board of Directors to discuss and approve proposals from the Arena Authority regarding the new arena.

VII. Report of the Chairman

Chair pro tem Snowden reported the board met earlier today to review the performance of President James R. Ramsey for the period of 2005-06. The Trustees praised him for an outstanding year of leadership and noted his early accomplishment of the initiatives in the University's strategic business plan—the Challenge for Excellence. A summary of the evaluation follows:

The Board acknowledged the President, with his leadership team, had a remarkable year, achieving all 22 of the annual goals the Trustees established for 2005-06. The Board also praised the President and his team for tackling many difficult and challenging issues throughout the year and for their excellent results. Examples of the achievements are:

- For the second straight year, attaining all eight of the state diversity goals in the Kentucky Plan;
- Implementing a new Signature Partnership Initiative that engages 351 University faculty, students, and staff in JCPS' Every1 Reads program, and "adopting" nearby Semple elementary school to improve the school's performance;
- Enhancing faculty salaries, a 2008 goal in the Challenge for Excellence, to 100% of disciplinary benchmarks in 2006-07—a full year earlier than the target;
- Creating a significant and impressive presence in "Glass" art in our community and laying the foundation for UofL's Glass/MFA program to be the centerpiece of Museum Plaza;
- Working with Tom Jurich to insure the University's interests are protected in the community effort to establish a Louisville arena with UofL as its primary tenant and with the community to support economic development;
- Solving the clinical issues in critical units, e.g., Urology, OB/GYN, Surgery, and other programs in the School of Medicine;
- And most importantly, with the Provost's leadership, increasing retention rates for ALL cohorts of students: Freshmen to Sophomore, Sophomore to Junior, and Junior to Senior.

The Board recognized 2005-06 as an extraordinary year for President Ramsey. The Trustees also noted with enthusiasm the dedicated support of Jane Ramsey in carrying out the University's initiatives. Her leadership of the Beautification Committee has created a more welcoming and spirited community for students, alumni, neighbors, and all of our university family.

VIII. Adjournment

Mr. Forman made a motion, which Mr. Helman seconded, to adjourn the meeting at 2:15 p.m. The motion passed unanimously.