

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE  
UNIVERSITY OF LOUISVILLE FOUNDATION, INC.

In Open Session

Members of the Board of Directors of the University of Louisville Foundation, Inc. met at 12:04 p.m. on April 28, 2022 in the University Club Ballroom. Members were present and absent as follows:

- Present: Mr. Earl Reed, Chair  
Mr. David Anderson (*via videoconference*)  
Mr. Jim Boone  
Mr. Ernest Brooks  
Mr. Paul Carrico  
Ms. Jessica Cole  
Mr. Al Cornish  
Ms. Jill Force  
Dr. Lori Gonzalez  
Mr. David Krebs (*via videoconference*)  
Mr. Larry McDonald  
Ms. Mary Nixon (*via videoconference*)  
Ms. Ugonna Okorie  
Mr. David Schultz  
Mr. John Smith  
Mr. John Thompson (*via videoconference*)
- Absent: Mr. Mark Nickel  
Mr. Ken Payne  
Mr. Jim Rogers
- Board Advisor: Ms. Deborah Lawson, Investment Subcommittee Member (*left at 1:17 p.m.*)
- From the Foundation: Mr. Keith Sherman, Executive Director and COO  
Ms. Julie Kroger, Executive Assistant  
Ms. Gina Lankswert, Director of Administration  
Mr. Jake Robertson, Senior Accountant  
Mr. Justin Ruhl, Controller
- From Legal Counsel: Mr. Franklin Jelsma, Wyatt, Tarrant & Combs
- From the University: Dr. Jasmine Farrier, Vice President for Advancement  
Mr. Rick Graycarek, AVP of Budget and Financial Planning  
Ms. Amanda LeDuke, Chief of Staff, UofL VP Advancement
- Guest: Mr. Kevin Grout, RunSwitch

I. Call to Order

Having determined a quorum present, Chair Reed called the meeting to order at 12:04 p.m. No conflicts of interest or appearances of conflicts were identified.

II. Consent Agenda

Next, Mr. Reed read the **attached** consent agenda as follows: approval of Minutes from the January 27, 2022 meeting. Ms. Force made a motion, which Mr. Brooks seconded, to approve the Consent Agenda. The motion passed.

III. Finance Committee Report

Ms. Force stated one of the actions taken at the April 28, 2022 meeting was appointing Ms. Deborah Lawson to the Investment Subcommittee for another two year term. She noted that Ms. Lawson served as chair pro tempore of the Investment Subcommittee meeting on April 27, 2022.

*Investment Subcommittee Report*

Ms. Lawson reported the Main Endowment Pool's market value as of March 31, 2022, was \$877M, down from its all-time high of \$908M on December 31, 2021. Returns have consistently met or exceeded the returns of the Foundation's benchmarks since Prime Buchholz became the OCIO in January 2020.

During the Subcommittee meeting, the Prime Buchholz team provided a market environment update, and reviewed the investment portfolio and the private equity investments.

Private equities make up about 30% of the Main Endowment Pool. They have been a steady provider of positive returns. During the last year they have returned 27%. The Foundation first began investing in private equities in 1996, since then they have returned 16.5% The private equities are largely based in the U.S., predominantly in the technology sector. The next largest sector is healthcare-related companies.

*Finance Committee Report*

Ms. Force stated the Committee approved three recommendations at their April 28, 2022 meeting: the written Endowment Spending Policy, the Administrative Services Agreement between the Foundation and the University of Louisville Real Estate Foundation, and the 2022-2023 Operating Budget as summarized at the meeting and the budget sessions. Ms. Force moved the three recommendations be approved by the Board. The Board approved all three recommendations (**attached**).

Ms. Force reported the Finance Committee reviewed the most recent financials during their meeting on April 28, 2022. Philanthropy and support to the University are up for the fiscal year and the Foundation's operating expenses are less than the prior year.

IV. Audit, Compliance & Risk Management Committee Report

Mr. Boone reported that the Audit, Compliance & Risk Management Committee met on April 18, 2022 to discuss the financial statement audit services RFP, the tax forms 990

and 990T, the Baker Tilly cybersecurity assessment and enterprise risk assessment, and the quarterly gift and endowment compliance update.

#### *Audit Services RFP*

Mr. Boone provided an overview of the audit services provider RFP process. He noted the selection criteria included: firm qualifications and depth of experience; knowledge, experience, and expertise in not-for-profit institutions and foundations; audit approach; overall quality of proposal; and fee considerations.

The Committee recommended the Board approve the engagement of Grant Thornton for the purpose of providing financial statement audit services, beginning with the fiscal year ending June 30, 2022, for the University of Louisville Foundation, Inc. and the University of Louisville Real Estate Foundation, Inc., for a term of 3 years.

After a brief discussion the Board approved the Committee's recommendation.

#### *Tax Forms 990 and 990T*

The Board approved the Committee's recommendation authorizing the Executive Director, subject to the approval of legal counsel, to sign and file the **attached** 990 and 990T tax forms

#### *Baker Tilly Assessments*

The Foundation engaged Baker Tilly to complete a cybersecurity assessment and enterprise risk assessment. Mr. Sherman provided a high-level overview of the **attached** report. Baker Tilly's recommendations will serve as a roadmap of topics Foundation staff will address, document and/or implement.

#### *Gift & Endowment Compliance Update*

The University requested \$27.5M in reimbursements from July 2021 to February 2022. The requests included 1,527 unique accounts. Foundation staff continue to work with units with repeated non-compliant expenses. These requests make up less than 10% of reimbursement requests.

#### V. ULREF Update

Ms. Force provided an update on the University of Louisville Real Estate Foundation. At their April 28, 2022 meeting, they reviewed their financials and approved five actions:

- Administrative Services Agreement with the University of Louisville Foundation;
- 2022-2023 operating budget;
- Authorized the Executive Director, subject to the approval of legal counsel, to sign and file the 990 and 990T tax forms;
- Accepted the charitable donation of real property at 515 W. Market from Humana, Inc., pending the finalization of terms by the Executive Director and the Property Committee; and
- Authorized the sale of real property at 996 Breckinridge Lane.

VI. Reports from the University of Louisville

Dr. Gonzalez provided an update on the University of Louisville highlighting leadership team appointments, financial aid, student enrollment, student athlete accomplishments, an increase in extramural research funding, and the expansion of University of Louisville Hospital downtown. As part of the state budget the University is receiving funding for a new engineering building, a military and veteran student services center, equipment for the dental school, asset preservation, and another round of Bucks for Brains.

Mr. Graycarek reviewed the **attached** finance presentation.

Dr. Farrier reviewed the **attached** Advancement presentation.

VII. Report of the Executive Director

Mr. Sherman expressed his appreciation to the Audit, Compliance & Risk Management Committee for their work on the audit services provider RFP and the Baker Tilly cyber security and enterprise risk assessments.

Mr. Sherman noted there is a lot of real estate related activity the Foundations are involved with both Downtown and around the Belknap Campus.

VIII. Executive Session to Discuss Proposed or Pending Litigation and a Specific Business Proposal Pursuant to KRS 61.810 (1) (c) and (g)

Mr. Reed asked for a motion to go into executive session to discuss proposed or pending litigation and a specific business proposal pursuant to KRS 61.810(1)(c) and (g). Mr. Boone made the motion, which Mr. Cornish seconded, to go into executive session at 1:40 p.m. The motion passed.

IX. Reconvene Open Session

When open session reconvened at 1:58 p.m., Mr. Reed reported that proposed or pending litigation and a specific business proposal were discussed during the executive session. No action was taken.

X. Report of the Chair

Mr. Reed expressed his appreciation to the Board and to Dr. Gonzalez.

XI. Adjournment

Having no other business, a motion to adjourn the meeting, made by Mr. Boone and seconded by Mr. McDonald, passed. The meeting adjourned at 2:00 p.m.

Approved by:



James E. Boone, Secretary  
University of Louisville Foundation, Inc.

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
UNIVERSITY OF LOUISVILLE FOUNDATION, INC.**

**April 28, 2022**

At a duly convened meeting of the Board of Directors (the “**Board**”) of the University of Louisville Foundation, Inc., a Kentucky non-profit corporation (“**ULF**”), held on April 28, 2022, the Board adopted the following resolutions:

**Approval of Revised Endowment Spending Policy**

RESOLVED, upon the recommendation of the Finance Committee, the Board approves the **attached** revised Endowment Spending Policy.

BOARD ACTION:

Passed   X  

Did Not Pass           

Other           

  
James E. Boone, Secretary  
University of Louisville Foundation, Inc.

<b>Subject: Endowment Spending Policy</b>	Author: Keith Sherman
Effective Date: July 1, 2022	Last Review Date: April 05, 2022
Last Revision: April 5, 2022	Revised By: Gina Lankswert
Contact Name: Gina Lankswert	Contact Email: <a href="mailto:gina.lankswert@louisville.edu">gina.lankswert@louisville.edu</a>
Approved By: Board of Directors on April 28, 2022	Page 1 of 4

I. **General:** The annual spending policy that follows is meant to be an instructional guide for the prudent management of endowment distributions made available by the University of Louisville Foundation Inc. (“Foundation”), to the respective academic and support units of the University of Louisville (“University”). The policy is viewed as a living document, which can change as needed by action of the Foundation’s Board of Directors.

II. **Unitized Endowment Pool:**

- a. The **unitized endowment pool** is housed within the University of Louisville Foundation, Inc., managed by its outsourced chief investment office (OCIO) and primarily comprised of externally managed investments. The unitized endowment pool functions much like a mutual fund. Each endowment account participates in the pool’s investment return based on its percentage ownership which is determined by the dollar amount invested and number of shares owned.
- b. The principal or corpus (book value/historical gift value), of an endowment account is defined as the original donation + subsequent donations + reinvestments to principal – liquidations.
- c. The market value of an endowment account is defined as the current value of the endowment account as of the specified date.

III. **Spending Policy and Administrative Fees**

- a. The Foundation’s **spending policy**, approved annually by the Foundation’s Board of Directors, governs the rate at which funds are made available to the academic and support units benefiting from each endowment account.
  - i. The dollar amount made available for each account is calculated by multiplying the approved spending policy percentage by the rolling twelve-quarter average of the market value of the account as of the prior December 31.
    - 1. Endowments invested for less than 1 calendar year receive the lesser of the spending policy or the fund’s actual return since their inception.
  - ii. The total spending policy allocation for each endowment account is distributed to its related spendable account and made available to the academic and support units on July 1.

- iii. Once calculated, reviewed and approved by management and the Foundation Board of Directors, the spending policy allocations, along with other pertinent data elements, are conveyed to the University's designated recipient(s).
- iv. Commencing with FY23, the Foundation's Board of Directors approved an annual spending policy of **4.0% to the academic units**.
- v. **Exceptions:** Only selected endowment programs qualify to receive annual spending policy allocations. The endowments that typically do not qualify are flagged in the endowment database and excluded from the annual spending policy calculation. These accounts include:
  - a. UofL Athletic Association endowments
  - b. Endowments created prior to April 1, 2020 with a market value less than the \$10,000 minimal threshold from donations. For endowments created after April 1, 2020, the minimal threshold is \$25,000.
- b. The **administrative fee** is an additional amount withdrawn from the unitized endowment pool used support the administration of the endowment and Foundation operations. This fee is determined annually by the Board of Directors.
  - i. The total annual administrative fee will not exceed 1.5% of the rolling twelve-quarter average of the market value of the unitized endowment pool as of the prior December 31.
  - ii. Each month, 1/12 of the annual administrative fee is allocated to each endowment account based on its percent ownership in the unitized pool.
  - iii. Also commencing with FY23, the Foundation's Board of Directors approved an annual administrative fee of **0.75%**

#### IV. Underwater Endowments:

- a. **Underwater endowments** are defined as those individual endowment accounts that as of the most recent December 31<sup>st</sup>, the market value (MV) is less than the book value (BV).
- b. In the absence of any donor restrictions or directives to the contrary, when an endowment account is determined to be underwater, the account's spending policy shall be prorated based on its Underwater Percentage.
  - i. The Underwater Percentage will be determined using the following calculation:  $(BV - MV)/BV * 100$
  - ii. No new spending policy distribution shall be authorized for any endowment account with an Underwater Percentage of more than 10%.
  - iii. For endowments with an Underwater Percentage between 1% and 10%, the spending policy will be pro-rated based on the following rate table:

<b>UNDERWATER PERCENTAGE</b>	<b>PRO-RATED PERCENTAGE</b>
1	95
2	90
3	85
4	80
5	75
6	70
7	65
8	60
9	55
10	50

- c. **Exception:** Any state matching endowment account funded through the Research Challenge Trust Fund (“B4B”) that is underwater, regardless of amount, is ineligible for spending policy.

**V. Annual Spending Policy Use and Re-investment**

- a. The Foundation expects that academic and support units managing endowment funds will expend the spending policy distribution in the fiscal year that it is allocated. That is, the managing units have delegated authority to use the allocated funds approved for the fiscal year for the use and purposes specifically identified in the gift agreement.
  - i. At the election of the Foundation’s Board of Directors, any unexpended annual spending policy allocations (“carryover”) may be released back into the related endowment account’s market value or retained separately in the endowment’s related spendable account for future use.
  - ii. Any unspent annual allocation will be released from the spendable account to the related endowment’s market value effective July 1 of each year. It will not be retained in the spendable account (i.e., no new carryover will be created).
  - iii. The Foundation compliance staff oversees account balances.

**VI. Endowment Funds Held Outside of the Unitized Pool and Managed by the University of Louisville Foundation, Inc.:**

- a. Due to terms of the related gift agreements, the Foundation holds and manages six (6) endowment funds outside of the unitized pool (“**Internally Managed Funds**”).
- b. The spending policy for the Internally Managed Funds is determined based on the terms of the related gift agreement and is made available to the University on July 1.

IV. **Endowment Funds Not Managed by the University of Louisville Foundation Inc.:**

a. **The University of Louisville Trust:**

- i. The University of Louisville Trust is a separate investment pool held at PNC Bank consisting of nine (9) individually identified endowment accounts, designated for separate and distinct investment strategies as stipulated by the donors.
- ii. The Foundation calculates the market value of the endowments accounts that participate as part of the combined UofL Trust investment pool on a unitized basis.
- iii. The annual amount available for spending by the endowment accounts in the UofL Trust is based on the total annual distribution from the UofL Trust which is defined as between 2%-5% of the rolling twelve quarter average of the market value of the UofL Trust assets as of the prior December 31.
  1. The specific distribution percentage is chosen by the Foundation upon the advice and consent of PNC Bank.
  2. The distribution is made annually to the Foundation after July 1.
  3. The Foundation allocates the annual distribution to the (9) individually identified endowment accounts on a pro-rata basis of each account's twelve-quarter rolling average market value as of the prior December 31.
  4. The distributed funds are added to each endowment account's related spendable account and made available to the designated academic and support units at the time of receipt.
  5. For FY23 the expected distribution percentage is 4.5%.

b. **Other Funds Held in Trust by Others (FHITBO)**

- i. Other separately held trusts and endowments are managed by outside financial institutions. The trustees determine the distribution from these trusts and endowments. The distributions may be paid to the Foundation on a monthly, quarterly, semi-annual, or annual basis. The Foundation adds the distributions to each endowment's related spendable account and makes the funds available to the designated academic and support units at the time of receipt.

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE UNIVERSITY OF LOUISVILLE FOUNDATION, INC.**

**April 28, 2022**

At a duly convened meeting of the Board of Directors (the “**Board**”) of the University of Louisville Foundation, Inc., a Kentucky non-profit corporation (“**ULF**”), held on April 28, 2022, the Board adopted the following resolution:

**Administrative Services Agreement**

RESOLVED, the Board approves the Administrative Services Agreement, including the initial fees in Schedule A, between the University of Louisville Foundation, Inc. and the University of Louisville Real Estate Foundation, Inc. as attached.

BOARD ACTION:

Passed   X  

Did Not Pass \_\_\_\_\_

Other \_\_\_\_\_

  
\_\_\_\_\_  
James E. Boone, Secretary  
University of Louisville Foundation, Inc.

## ADMINISTRATIVE SERVICES AGREEMENT

**THIS ADMINISTRATIVE SERVICES AGREEMENT** (the "Agreement"), is made and entered into as of May 1, 2022 (the "Effective Date"), by and between the **UNIVERSITY OF LOUISVILLE REAL ESTATE FOUNDATION, INC.** ("ULREF"), and **UNIVERSITY OF LOUISVILLE FOUNDATION, INC.** ("Service Provider"; and with ULREF each a "Party" and collectively, the "Parties").

A. ULREF is organized and operated to receive, hold, invest, and administer property and to make expenditures to and for the benefit of the University of Louisville.

B. The Service Provider is organized and operated to receive, hold, invest, and administer property and to make expenditures to and for the benefit of the University of Louisville.

C. ULREF needs certain services which the Service Provider is able to provide.

D. ULREF and the Service Provider desire to enter into this Agreement in order to formalize and document their agreement concerning the Services (as that term is defined below).

**NOW, THEREFORE**, in consideration of the foregoing, and the mutual covenants and agreements contained in this Agreement, and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, ULREF and the Service Provider, intending to be legally bound, agree as follows:

1. Services. During the Term (as that term is defined in Section 4 below), the Service Provider will provide the services listed on Schedule A to ULREF (the "Services").

2. Monthly Service Fees. In exchange for each of the Services, each month during the Term, ULREF will pay to the Service Provider the Monthly Service Fee indicated next to each of the applicable Services on Schedule A. At the end of each month during the Term, the Service Provider will submit an invoice to ULREF in the amount of the total Monthly Service Fees incurred during such month. Such invoices will be due and payable within thirty (30) business days of receipt. Any invoice not paid within such 30 day period may be assessed finance charges equal to the lower of one and one-half percent (1.50%) per month or the maximum amount permitted by applicable law.

3. Increase of Monthly Service Fees during the Term. If, during the Term, the cost of providing any of the Services increases, the Service Provider may notify ULREF of such increase in cost and request an increase in the Monthly Service Fee applicable to such Service. Upon receipt of documentation establishing that the actual cost of providing the Service has increased directly proportionate to the amount of the requested increase in the Monthly Service Fee, ULREF shall have a period of sixty (60) days from ULREF's receipt of such document to either (i) reject the proposed Monthly Service Fee increase in which case the Service will be deleted from this Agreement and the Service Provider will no longer be obligated to provide such Service to ULREF or (ii) accept the increase in Monthly Service Fee; in either case this shall be accomplished by an amendment to this Agreement.

4. Term. The term of this Agreement (the “Term”) shall begin on the Effective Date and continue through June 30, 2027. Either Party can terminate this Agreement upon thirty (30) days prior written notice to the other Party.

5. Financial Information and Reporting. ULREF shall provide to Service Provider during the Term of this Agreement the following financial information: (i) as soon as it is available after the end of each fiscal year of ULREF beginning with its fiscal year ending June 30, 2021, ULREF’s audited financial statements; and (ii) as soon as it is available after the end of the fiscal year of ULREF beginning with its fiscal year ending June 30, 2021, ULREF’s Form 990, Return of Organization Exempt from Income Tax; and (iii) as soon as it is available beginning with its fiscal year ending June 30, 2021, an operating budget for ULREF for the immediately succeeding fiscal year. ULREF shall also provide to Service Provider’s Board of Directors, a quarterly report, presented by the chairperson of ULREF or his or her designee, on the financial performance of ULREF during the immediately preceding quarter, such quarterly report to include an update on the financial performance of ULREF, any development projects underway or study, and the amount of Tax Increment Financing revenue received year-to-date and during the immediately preceding quarter. ULREF shall also provide to Service Provider, with reasonable promptness, such other financial data and information with respect to ULREF as from time to time may reasonably be requested, including without limitation, any such data or information which may be requested by any governmental or public body or agency having jurisdiction over Service Provider.

6. Performance. The failure of either Party to insist upon strict performance of any provision of this Agreement shall not constitute a waiver of the right to insist upon strict performance of any other provision or the obligation to perform such provision strictly thereafter.

7. Indemnification. The Service Provider agrees, to the extent permitted by law, to indemnify, defend, and hold harmless ULREF, its members, affiliates, officers, managers, employees, agents and clients from and against any and all damages, claims, suits, losses, penalties, judgments, costs, fines, liabilities or expenses of whatever nature that ULREF may incur or suffer relating in any way to (i) to any breach or failure of the Service Provider to perform any of its representations and warranties contained in this Agreement; or (ii) any actual or alleged personal injury, death, economic loss or property damage, whatsoever related to this Agreement caused by the negligence or willful misconduct of Service Provider. The Parties agree to the allocation of liability risk set forth in this Section.

8. Representations and Warranties. The Service Provider represents as follows: (i) it shall use established, sound and professional knowledge, skill, judgment, principles and practices in accordance with the highest professional and industry standards in its provision of the Services under this Agreement; (ii) all work product shall conform to its specifications, requirements and descriptions in Schedule A; (iii) the Service Provider shall comply with all applicable laws, ordinances, codes and regulations in performing the Services under this Agreement; and (iv) it has the right to enter into and provide the Services required by this Agreement. ULREF is entitled to inspect and review all Services provided pursuant to this Agreement for conformity with the Service Provider’s obligations under this Agreement.

9. Relationship of Parties. ULREF and the Service Provider understand and agree that, with respect to and for the purposes of this Agreement, ULREF and the Service Provider are not

partners or joint venturers and nothing in this Agreement shall be construed so as to make them partners or joint venturers or impose any liability as such on either of them. The relationship between ULREF and the Service Provider with respect to and for the purposes of this Agreement shall be that of independent contractors. All employees furnished by the Service Provider are and shall be considered employees of the Service Provider. The Service Provider is solely responsible for the compensation of such employees, including without limitation salary, benefits, and insurance coverage, including but not limited to workers' compensation insurance and other liability insurance. No employee of the Service Provider shall receive any salary or other compensation or benefits from ULREF. The Service Provider shall pay all personnel, administrative, facilities and other costs and expenses necessary or required to provide the Services required to be rendered by it under this Agreement.

10. Notices. All notices and other communications under this Agreement shall be in writing and shall be delivered by hand or mailed by registered or certified mail (return receipt requested) or transmitted by facsimile to the Parties at the following addresses (or at such other addresses for a Party as shall be specified by like notice) and shall be deemed given on the date on which such notice is received:

If to ULREF:

University of Louisville Real Estate Foundation, Inc.  
215 Central Avenue, Suite 212  
Louisville, Kentucky 40208  
Attention: Justin Ruhl  
Email: Justin.ruhl@louisville.edu

If to the Service Provider:

University of Louisville Foundation, Inc.  
215 Central Avenue, Suite 212  
Louisville, Kentucky 40208  
Attention: Keith Sherman  
Email: keith.sherman@louisville.edu

11. Amendments. No amendments, waivers or modifications of this Agreement shall be made or deemed to have been made unless in writing executed by the Party to be bound thereby.

12. Confidentiality. As a condition to the provision of the Services, each Party agrees to treat any confidential information (i.e., information identified as such and if provided in writing marked as confidential) relating to the other in accordance with the provisions of this Section. Each Party agrees that the confidential information relating to the other will be used solely for the purpose of providing the Services and not for any other business purpose, and that such confidential information will be kept strictly confidential during and after the Term for a period of two (2) years. Each Party agrees to give access to the confidential information of the other Party only to those of its representatives who need to have access to such confidential information in order to provide the Services. Notwithstanding the foregoing, nothing in this Agreement shall prevent either Party from making a disclosure to the extent that such disclosure has been consented

to in writing by the other Party or is required by law, regulation, supervisory authority or other applicable judicial or governmental order. The term "confidential information", when used with respect to a Party, refers to any information concerning that Party, its affiliates and/or subsidiaries, including without limitation their businesses and future prospects, whether prepared by them or their representatives or otherwise, that is furnished or disclosed or learned in connection with this Agreement, whether furnished or disclosed or learned before or after the date of this Agreement, together with any analyses, compilations, studies or other documents prepared by the other Party or any of its representatives that contain or otherwise reflect such information; *provided that*, the term "confidential information" does not include information (i) about a Party that was or becomes generally available to the public other than as a result of a disclosure by the other Party or its representatives or (ii) that was or becomes available on a non-confidential basis from a source other than one of the Parties or its representatives, provided that such source was not known to be bound by any agreement to keep such information confidential, and was not otherwise prohibited from transmitting the information by a contractual, legal or fiduciary obligation.

13. Force Majeure. Neither Party shall be in default of this Agreement or liable to the other Party for any delay or default in performance where occasioned by any cause of any kind or extent beyond its control, including but not limited to, armed conflict or economic dislocation resulting therefrom; embargoes; shortages of labor, raw materials, production facilities or transportation; labor difficulties; civil disorders of any kind; action of any civil or military authorities (including priorities and allocations); fires; floods; and accidents. The dates on which the obligations of a Party are to be fulfilled shall be extended for a period equal to the time lost by reason of any delay arising directly or indirectly from:

A. Any of the foregoing causes, or

B. Inability of that Party, as a result of causes beyond its reasonable control, to obtain instruction or information from the other Party in time to perform its obligations by such dates.

14. Severability. If any provision in this Agreement or the application of such provision to any person or circumstance shall be invalid, illegal or unenforceable, the remainder of this Agreement or the application of such provision to persons or circumstances other than those to which it is held invalid, illegal or unenforceable shall not be affected thereby.

15. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute this Agreement.

16. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky, without giving effect to its conflict of law rules.

17. Specific Performance. Each Party acknowledges that the rights and obligations granted under this Agreement are of a special character which gives them a peculiar and unique value, the loss of which cannot be reasonably or adequately compensated in damages in an action at law. Without limiting either Party's right to pursue all other legal and equitable remedies available to it, each of the Parties agrees that the other Party shall be entitled to injunctive and other equitable

relief (including specific performance) to prevent any violation or continuing violation of this Agreement without the need to introduce evidence of the inadequacy of money damages to remedy such violation.

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## SCHEDULE A

### Services and Initial Fees

The following Services are covered by this Agreement and the following fees will apply subject to adjustments in accordance with this Agreement. The Service Provider will charge ULREF for actual costs incurred. The initial fees represent the per unit cost of the Services. These amounts may not be exceeded without the mutual consent of the Parties.

Services	<u>Effective May 1, 2022</u> Initial Fees / Unit	<u>Effective July 1, 2022</u> Initial Fees / Unit	Description
Executive Services	\$14,955.90/month	\$15,200/month	All executive and supervisory services necessary for the operation and administration of ULREF.
Accounting, Treasury, Tax, and other Finance Services	\$24,543.67/month	\$25,000/month	Accounting, treasury, cash, receivables, purchasing and payables, and tax services contributed by internal accounting staff to record, pay, track, and report financial activity of ULREF.
Property Manager	\$10,658.17/month	\$10,800/month	Maintenance and administration of real estate, buildings, and structures.
General & Administrative	\$3,500/month	\$4,000/month	Costs of postage, copying, I/T, software, payroll administration, training, travel, bank fees and related account charges, credit card and processing fees, and other miscellaneous general & administrative expenses for shared services vendors.
Legal	Actual Out of Pocket	Actual Out of Pocket	External counsel for general business matters
Other	Actual Out of Pocket	Actual Out of Pocket	All services and related expenses provided by a shared Service Provider not otherwise described above. Examples may include, but not limited to: <ul style="list-style-type: none"> <li>- External audit(s)</li> <li>- Landscaping</li> <li>- Janitorial</li> <li>- Architectural</li> <li>- Pest control</li> <li>- Appraisal services</li> <li>- Fire safety and security</li> <li>- Snow removal</li> <li>- Security</li> <li>- Dues/ memberships/ subscriptions</li> <li>- Maintenance supplies</li> </ul>
<b>Total Fees</b>	<b>\$53,657.73/month</b>	<b>\$55,000/month</b>	

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE UNIVERSITY OF LOUISVILLE FOUNDATION, INC.**

**April 28, 2022**

At a duly convened meeting of the Board of Directors (the “**Board**”) of the University of Louisville Foundation, Inc., a Kentucky non-profit corporation (“**ULF**”), held on April 28, 2022, the Board adopted the following resolution:

**Operating Budget for 2022-2023**

RESOLVED, the Board approves the ULF operating budget for Fiscal Year 2022-2023 as presented. (Summary attached)

BOARD ACTION:

Passed   X  

Did Not Pass           

Other           

  
James E. Boone, Secretary  
University of Louisville Foundation, Inc.

# UofL Foundation

## Standalone Operating Proposed Budget

*(in thousands)*

	ULF Proposed Budget FY 2023	ULF Annual Budget FY 2022	ULF Actual FYTD 2022	% to Budget	ULF Actual FY 2021	ULF Actual FY 2020
<b>Revenues</b>						
UofL gifts	32,050	37,830	27,514	73%	30,647	41,410
UofL Health gifts	11,000	15,000	8,021	53%	7,990	17,513
Net investment return	60,300	42,179	36,920	88%	252,127	(1,931)
Rental revenues	1,210	1,116	797	71%	1,142	1,071
Other revenues	260	212	1,026	484%	279	232
<b>Total revenues</b>	<b>104,820</b>	<b>96,338</b>	<b>74,278</b>	<b>77%</b>	<b>292,185</b>	<b>58,296</b>
<b>Expenditures</b>						
Endowment support to UofL	18,500	22,059	11,278	51%	16,315	20,204
Current Use support to UofL	18,000	20,000	11,415	57%	17,278	20,493
FHITBO support to UofL	3,000	3,593	2,117	59%	2,015	2,555
Other support to UofL	450	1,000	210	21%	679	1,071
UofL Health support	10,000	15,000	5,421	36%	7,544	17,505
<b>Total expenditures</b>	<b>49,950</b>	<b>61,652</b>	<b>30,440</b>	<b>49%</b>	<b>43,831</b>	<b>61,828</b>
<b>Administrative Expenses</b>						
Advancement	5,000	4,435	3,459	78%	6,319	6,000
Interest expense	1,744	1,737	1,165	67%	1,778	1,818
Salaries and benefits	1,515	1,431	769	54%	1,101	947
ShelbyHurst expenses	650	649	483	74%	624	494
Building and office expense	150	133	108	81%	165	143
Legal fees	150	875	78	9%	919	1,582
General and other	610	812	268	33%	540	734
<b>Total ULF administrative expenses</b>	<b>9,819</b>	<b>10,071</b>	<b>6,330</b>	<b>63%</b>	<b>11,446</b>	<b>11,718</b>
<b>Other Expenses</b>						
Pledge bad debts	2,500	4,227	679	16%	3,662	4,196
Depreciation and amortization	500	593	329	56%	607	602
<b>Total other expenses</b>	<b>3,000</b>	<b>4,820</b>	<b>1,009</b>	<b>21%</b>	<b>4,269</b>	<b>4,799</b>
<b>Total expenses</b>	<b>62,769</b>	<b>76,543</b>	<b>37,779</b>	<b>49%</b>	<b>59,545</b>	<b>78,344</b>
<b>Net income</b>	<b>42,051</b>	<b>19,795</b>	<b>36,499</b>	<b>184%</b>	<b>232,640</b>	<b>(20,048)</b>
<b>Total adjustments to cash flow</b>	<b>(9,113)</b>	<b>14,327</b>	<b>(4,206)</b>		<b>(205,204)</b>	<b>58,083</b>
<b>Cash flow</b>	<b>32,938</b>	<b>34,122</b>	<b>32,292</b>		<b>27,436</b>	<b>38,035</b>

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE UNIVERSITY OF LOUISVILLE FOUNDATION, INC.**

**April 28, 2022**

At a duly convened meeting of the Board of Directors (the “Board”) of the University of Louisville Foundation, Inc., a Kentucky non-profit corporation (“ULF”), held on April 28, 2022, the Board adopted the following resolution:

**AUDIT SERVICES PROVIDER**

WHEREAS, on February 1, 2022 ULF distributed a Request for Proposal (RFP) to conduct the independent audits of the financial statements for the fiscal year ending June 30, 2022 for the University of Louisville Foundation, Inc. and the University of Louisville Real Estate Foundation, Inc.

WHEREAS, the selection criteria outlined in the RFP included firm qualifications and depth of experience; knowledge, experience, and expertise in not-for-profit institutions and foundations; audit approach; overall quality of proposal; and fee considerations.

WHEREAS, on April 18, 2022 the Audit, Compliance, and Risk Management Committee met to review the proposals. The Committee recommends the Board engage Grant Thornton for the purpose of providing financial statement audit services for the University of Louisville Foundation, Inc. and the University of Louisville Real Estate Foundation, Inc. The Committee recommends the engagement be for a term of 3 years, beginning with the fiscal year ending June 30, 2022.

RESOLVED, the Board approves the engagement of Grant Thornton for the purpose of providing financial statement audit services, beginning with the fiscal year ending June 30, 2022, for the University of Louisville Foundation, Inc. and the University of Louisville Real Estate Foundation, Inc., for a term of 3 years.

**BOARD ACTION:**

Passed   X  

Did Not Pass       

Other       

  
James E. Boone, Secretary  
University of Louisville Foundation, Inc.

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE UNIVERSITY OF LOUISVILLE FOUNDATION, INC.**

**April 28, 2022**

At a duly convened meeting of the Board of Directors (the “**Board**”) of the University of Louisville Foundation, Inc., a Kentucky non-profit corporation (“**ULF**”), held on April 28, 2022, the Board adopted the following resolution:

**Filing of Tax Forms**

WHEREAS, on November 21, 2017, the Board approved the engagement of Deming Malone Livesay & Ostroff (“DMLO”) for the purpose of providing tax preparation services for the fiscal year ending June 30, 2017, with the option of four one-year renewals.

WHEREAS, on October 28, 2021, the Board approved a one-year renewal for the purpose of providing Form 990 tax preparation services for the fiscal year ending June 30, 2021.

WHEREAS, Foundation staff worked with DMLO on the preparation of the Form 990s and Form 990Ts.

WHEREAS, the Forms 990 and Forms 990T were shared with each Board member in advance of the informational sessions on April 11 and 12, 2022 for the Board to review and ask questions about the drafts of the same.

RESOLVED, upon the recommendation of the Audit, Compliance and Risk Management Committee, the Board hereby authorizes the Executive Director, subject to approval of legal counsel, to sign and file the following:

1. University of Louisville, Foundation, Inc. (Form 990, 990T, 926, and 8665 (including review of applicable K-1s))

BOARD ACTION:

Passed   X  

Did Not Pass           

Other           

  
James E. Boone, Secretary  
University of Louisville Foundation, Inc.

# University of Louisville Foundation Report to the Audit Committee

April 18, 2022



The information provided here is of a general nature and is not intended to address the specific circumstances of any individual or entity. In specific circumstances, the services of a professional should be sought. Tax information if any contained in this communication was not intended or written to be used by any person for the purpose of avoiding penalties nor should such information be construed as an opinion upon which any person may rely. The intended recipients of this communication and any attachments are not subject to any limitation on the disclosure of the tax treatment or tax structure of any transaction or matter that is the subject of this communication and any attachments. Baker Tilly US LLP trading as Baker Tilly is a member of the global network of Baker Tilly International Ltd, the members of which are separate and independent legal entities. © 2022 Baker Tilly US LLP



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# Cybersecurity Assessment Summary Results

# Cybersecurity Assessment Objectives

## UNDERSTAND POTENTIAL CYBERSECURITY RISK AND TAKE STEPS TO MINIMIZE IMPACTS.

- University of Louisville Foundation (ULF) is seeking an assessment of the overall cybersecurity program in order to gain a better understanding of their current state and identify any gaps or weaknesses that may be improved upon.
- Baker Tilly assessed ULF against the NIST Cybersecurity Framework (CSF) to understand the organization's current cybersecurity posture and develop recommendations to minimize potential cyber risks.
- This report reflects ULF's current cybersecurity maturity and Baker Tilly's recommendations to improve and fortify the IT environment.

# Evolving Cybersecurity Risks

ORGANIZATIONS ARE FALLING VICTIM TO CYBER ATTACKS EVERY DAY

Information assets and technology investments left ungoverned and unprotected leave organizations vulnerable to data breaches, disruption of business operations, and loss of customer trust.

1,332 data breaches  
reported in the educational sector in  
2021 (U.S.)

280 Days  
average time to  
identify a breach

\$4.42M  
average cost of a  
data breach

13,256  
cyber attacks in the  
U.S. in 2021

The top three most common types of higher ed breaches are hacking, unintentional disclosure, and theft or loss of personal devices

80%  
of ransomware victims  
suffer repeat attacks

600%  
Increase in cybercrime  
due to Covid-19  
pandemic

85%  
of data breaches  
involve a human  
element

*“Cyber crime is the greatest threat to every company in the world”*  
Ginni Rometty, IBM CEO

*“One of the main cyber risks is to think they don’t exist. The other is to try to treat all potential risks.”*  
Stephane Nappo, IBFS CISO

# Cybersecurity Assessment Approach

BELOW IS AN OVERVIEW OF THE ENGAGEMENT ACTIVITIES

## Deep Dive Information Gathering and Interviews

Baker Tilly interviewed key stakeholders in order to gain a deeper understanding of ULF's practices and to discover potential areas of cybersecurity risk. Additionally, Baker Tilly met with ULF resources as well as their IT managed service provider to review current cybersecurity capabilities, processes and technologies.

## Capabilities Assessment and Maturity Ratings

Baker Tilly performed an analysis of ULF's cybersecurity capabilities using the NIST Cybersecurity Framework. The team worked to identify key areas of strength and areas for improvement. Additionally, Baker Tilly assigned maturity scores for each NIST CSF area based on the CMMI scoring methodology.

## Recommendations and Executive Summary

Baker Tilly developed recommendations based on the team's observations and identified areas of risk. Additionally, the team developed an executive summary to be shared with ULF's leadership.

# NIST CSF Assessment Summary

ULF's IT environment is designed around the maintenance of on-premise and cloud-based solutions used to support staff and the overall organizational needs, with IT Security functions outsourced to their managed service provider, Louisville Geek. Below are the summarized observations from the NIST CSF assessment:

- The overall internal IT governance program is informal, with no documented policies or procedures in place. However, several standard security solutions have been deployed to aid in monitoring the internal network, including firewalls, anti-malware solutions, and an Endpoint Detection and Response (EDR) solution.
- ULF does not have a defined Business Continuity and Disaster Recovery plan in place and places reliance on their managed service provider to manage these efforts.
- ULF has reached an overall maturity of 0.8 using the CMMI rating scale (0-5). A score of 0.8 represents a program that lacks formal security processes and mostly relies on ad hoc procedures to secure the IT environment. Significant investments should be made towards developing the risk assessment and management programs, formalizing security policies and procedures, maturing protection controls, and implementing detection, response, and recovery capabilities.

# Implementation Roadmap

ULF should stagger the implementation of our recommendations to ensure foundational elements of the cybersecurity program are implemented first, while enabling the insight gathered through those activities to guide implementation for future improvements.

## Now

*The efforts that ULF should focus on first:*

- 1 Deployment of a centralized IT asset management solution
- 2 Implementation of MFA capabilities across applications and systems
- 3 Formalize a backup restoration process and perform restoration tests on a regular basis
- 4 Establish BC/DR plans and communicate them to appropriate personnel
- 5 Deploy a security and phishing awareness program for all employees
- 6 Perform vulnerability scans and penetration tests on a regular basis
- 7 Implement encryption for data-at-rest

## Next

*Next, ULF should shift efforts to focus on the following recommendations:*

- 8 Deploy an MDM solution or provide organization-issued cell phones
- 9 Deploy a DLP solution
- 10 Establish a formal risk management program and process to address risks
- 11 Establish a formal IT Governance program
- 12 Develop formal analysis process and procedures for cybersecurity events
- 13 Establish an incident response plan and test the plan annually.
- 14 Implement additional physical security controls
- 15 Formalize data flows and network diagrams

## Later

*Later, efforts should be spent optimizing the cybersecurity program through the following recommendations:*

- 16 Formalize IT policies and develop a process for employees to acknowledge policies.
- 17 Establish a formal provisioning and deprovision process.



# Enterprise Risk Assessment Summary Results

# Overview

- Baker Tilly assisted ULF in facilitating a risk assessment to identify, source, and evaluate individual, inherent risks. Inherent risk is an essential aspect of assessing the significance of a risk. In a risk assessment setting, inherent risk according to the COSO ERM framework is “the risk to an entity in the absence of any actions management might take to alter either the risk’s likelihood or impact.”
- The assessment involved select Board members, Executive Management and functional business leaders across the Foundation. We identified and assessed a wide range of risk areas that could potentially affect the Foundation, including strategic, financial, operational, compliance, technological, fraud, and reputational risks.
- The risk assessment was a forward-looking activity that encompassed an evaluation of available data and application of judgement to determine and analyze the impact and likelihood of potential future events on the achievement of the Foundation’s objectives.
- After inherent risk and risk events were identified, we plotted inherent risks on a map according to their impact on the achievement of business objectives and the likelihood of their occurrence.
- The outcomes of the risk assessment should then be used by management to help formulate and document risk responses in order to mitigate and monitor identified risks inherent to the Foundation.

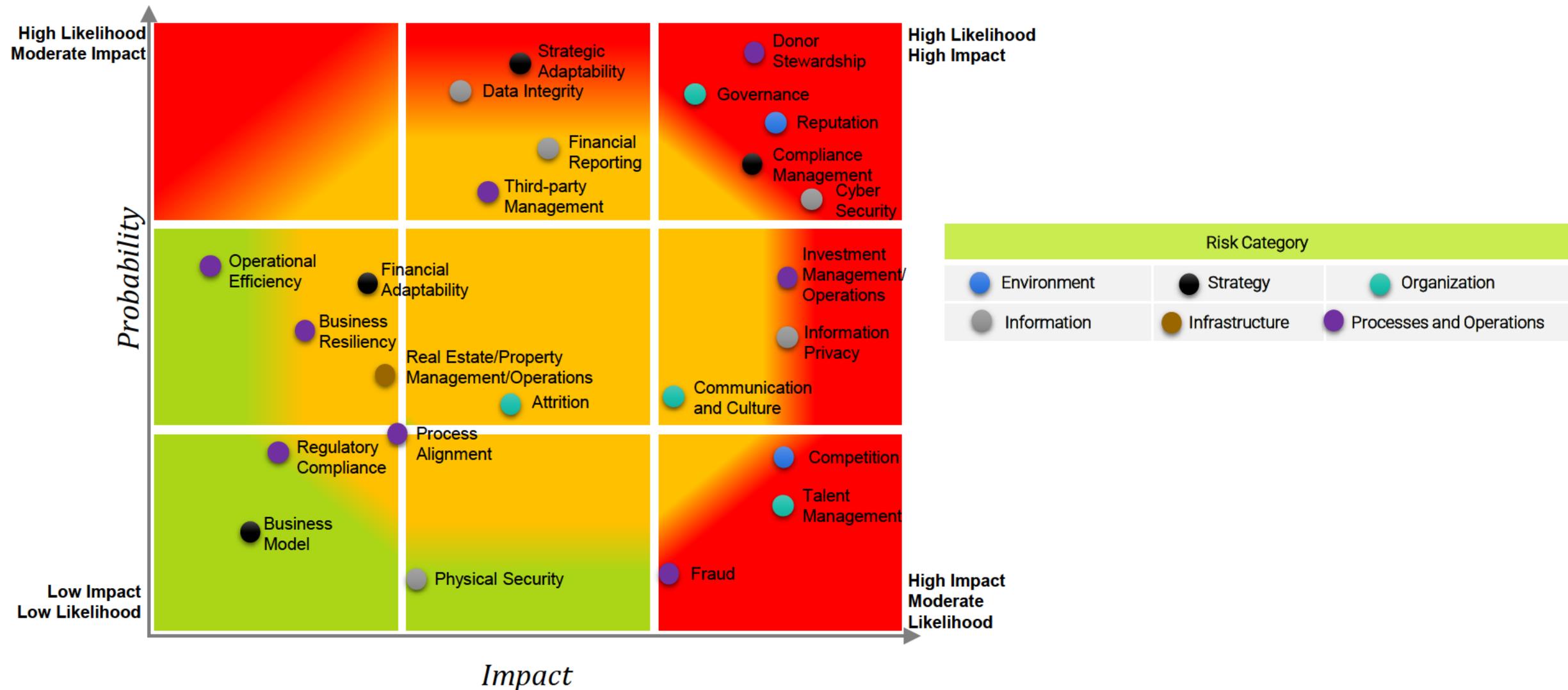
# Business Objectives

## **THROUGH THE RISK ASSESSMENT, WE NOTED KEY BUSINESS OBJECTIVES OF THE FOUNDATION, INCLUDING:**

- Achieving a model of best practice focused on strong governance
- Ensuring compliance with donor intent, appropriately stewarding gifted assets, and respecting confidentiality
- Working in synergy with the University to enhance advancement
- Fostering and maintaining productive relationships that ensure open and continuing communications and alignment of priorities
- Growing the asset base and total return of investments that provide a continuing, stable, and sustainable funding source to support the current and future mission of the University

# Risk Assessment Results

THE PLACEMENT OF THESE RISKS ON THE RISK MAP DEPICTS THE INHERENT RISK TO THE FOUNDATION ABSENT ANY CONSIDERATION OF WHAT PLANS MAY BE IN PLACE TO ADDRESS THE RISKS. THE ASSESSMENT EVALUATED INHERENT RISK OR POTENTIAL FUTURE RISK EVENTS ON THE ACHIEVEMENT OF THE FOUNDATION'S OBJECTIVES OVER A TIME HORIZON OF 12-18 MONTHS.



## High Priority Risk Areas

The risk assessment identified high priority, inherent risk areas on slide 12 (please refer to **Appendix A of the full report** for risk events identified of each high priority risk area). **Note that these areas do not represent current problems**, but only risks to the Foundation in the absence of any actions management might take to alter either the risk’s likelihood or impact. In other words, our evaluation of inherent risks did not include a detailed assessment of the risk mitigation strategies in place to address these risks.

However, ULF senior leaders have expressed an overall belief that **ULF is taking steps to address each of these risks and evolve related processes on an ongoing basis**. Nothing that Baker Tilly learned during the risk assessment indicated otherwise.

Risk Category	High Priority Inherent Risks
Environment	<ul style="list-style-type: none"> <li>• Competition</li> <li>• Reputation</li> </ul>
Strategy	<ul style="list-style-type: none"> <li>• Strategic Adaptability</li> <li>• Compliance Management</li> <li>• Investment Management/Operations</li> </ul>
Organization	<ul style="list-style-type: none"> <li>• Governance</li> <li>• Talent Management</li> </ul>
Processes and Operations	<ul style="list-style-type: none"> <li>• Donor Stewardship</li> <li>• Fraud</li> </ul>
Information	<ul style="list-style-type: none"> <li>• Cybersecurity</li> <li>• Data Integrity</li> <li>• Information Privacy</li> </ul>

# Summary of Proposed Projects

Based on the risk assessment results and areas of high priority to the Foundation, Baker Tilly worked with management to identify the areas of focus. Baker Tilly also worked with management to prioritize projects that are to be considered in the immediate term (i.e., 12 - 18 months) as shown below.

Risk Category	Projects	Inherent Risks Mitigated
Environment	<ul style="list-style-type: none"> <li>Enterprise Risk Management</li> </ul>	<ul style="list-style-type: none"> <li>Competition</li> <li>Reputation</li> </ul>
Strategy	<ul style="list-style-type: none"> <li>Strategic Budgeting and Financial Planning Assessment</li> </ul>	<ul style="list-style-type: none"> <li>Strategic Adaptability</li> <li>Compliance Management</li> <li>Investment Management/Operations</li> </ul>
Organization	<ul style="list-style-type: none"> <li>Talent Management Assessment</li> </ul>	<ul style="list-style-type: none"> <li>Governance</li> <li>Talent Management</li> </ul>
Processes and Operations	<ul style="list-style-type: none"> <li>Donor Intent Audits (ongoing by the compliance function)</li> <li>Gift Processing and Administration Assessment</li> <li>Anti-Fraud Assessment</li> </ul>	<ul style="list-style-type: none"> <li>Donor Stewardship</li> <li>Fraud</li> </ul>
Information	<ul style="list-style-type: none"> <li>Cybersecurity Assessment (completed by Baker Tilly)</li> <li>Cybersecurity Remediation (initiatives outlined in the "Now" category of Baker Tilly's cybersecurity assessment report. See slide 8 herein.)</li> <li>Data Integrity and Governance Assessment</li> </ul>	<ul style="list-style-type: none"> <li>Cybersecurity</li> <li>Data Integrity</li> <li>Information Privacy</li> </ul>



# Financial Update

Dan Durbin  
EVP Finance/CFO

# February Financial Results Highlights

- **Cash and accrual-based activity is trending similarly**
- **Revenues and Expenses:**
  - Both revenues and expenses continue to exceed last year's amounts
  - University and its components are generating positive margins thus far
  - College based tuition revenues still off budget by approx. \$7 million but being actively managed to align revenues to expenses
  - March 1 raise plan was implemented and funded via a 3-prong strategy
  - Continuing to trend toward a balanced budget
- **Net Position (Balance Sheet) continues to improve:**
  - Liquidity/cash position continues to improve
  - Total assets increased 5% from last year
  - Total liabilities decreased 3% from prior year
  - Unrestricted and Total Net Position continues to improve

**Review of Actual Revenues, Expenses, & Changes in Net Position**  
**YTD 2/28/2022**  
**(Accrual Basis)**



# Summary of Revenues, Expenses, and Changes in Net Position

YTD Period Ended February 28, 2022 and 2021 (in thousands)

	FY 2022	FY 2021	\$ Diff	% Diff
<b>REVENUES</b>				
Student tuition and fees, net	\$ 271,862	\$ 265,763	\$ 6,099	2.3%
Clinical services and practice plan	244,112	214,187	29,925	14.0%
State appropriations	105,162	102,503	2,659	2.6%
Grants and contracts	145,788	115,198	30,590	26.6%
Intercollegiate athletics	57,094	33,661	23,433	69.6%
Affiliate contributions, net	24,259	18,852	5,407	28.7%
Capital appropriations & gifts	30,815	23,557	7,258	30.8%
Other revenue	54,365	41,019	13,346	32.5%
Total Revenue	933,457	814,740	118,717	14.6%
<b>EXPENSES</b>				
Salaries and wages	361,152	346,872	14,280	4.1%
Employee benefits	95,357	80,143	15,214	19.0%
Utilities	11,863	11,699	164	1.4%
Scholarships and fellowships	104,578	85,656	18,922	22.1%
Depreciation and amortization	33,552	35,216	(1,664)	(4.7%)
Supplies and services	210,445	169,220	41,225	24.4%
Total Expenses	816,947	728,806	88,141	12.1%
<b>Increase/(decrease) in net position</b>	<b>116,510</b>	<b>85,934</b>	<b>30,576</b>	<b>35.6%</b>

## Significant Revenue Fluctuations:

- Student tuition and fee revenue increased due to 1.75% rate increase with an offset due to slightly fewer students.
- Clinical revenue: Rent and lease payments from UL Health received monthly during FY22; payments during FY21 not consistently received/recorded month to month.
- Grant revenue: Increase primarily due to timing of CARES funding year-over-year, \$23.1 million additional in FY22, and increase in other various grants of \$11.3 million.
- Intercollegiate athletic: Increase in FY22 due to release of COVID capacity restrictions and game cancellations for the football and men's basketball seasons in FY21.
- Other revenue increased primarily due to F&A cost recoveries related to increased grant activities.

# Summary of Revenues, Expenses, and Changes in Net Position

YTD Period Ended February 28, 2022 and 2021 (in thousands)

	<u>FY 2022</u>	<u>FY 2021</u>	<u>\$ Diff</u>	<u>% Diff</u>
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<b>Increase/(decrease) in net position</b>	<b>116,510</b>	<b>85,934</b>	<b>30,576</b>	<b>35.6%</b>

## Significant Expense Fluctuations:

- Salaries increased primarily due to 1% COLA adjustment and increased hiring.
- Employee benefits increased due to the university reinstating the full 7.5% 403b contribution in FY22 and increased hiring.
- Scholarships increase due to HEERF (CARES) and other financial aid grants to students given during the Fall 2021 and Spring 2022 semesters.
- The increase in supplies and services expense is generally driven by normal return to campus activities vs. COVID restrictions in FY21. Operational expenditures have risen partially in response to purchases delayed from prior year and increased campus activity.

# Revenue and Expense Activity by Component Unit

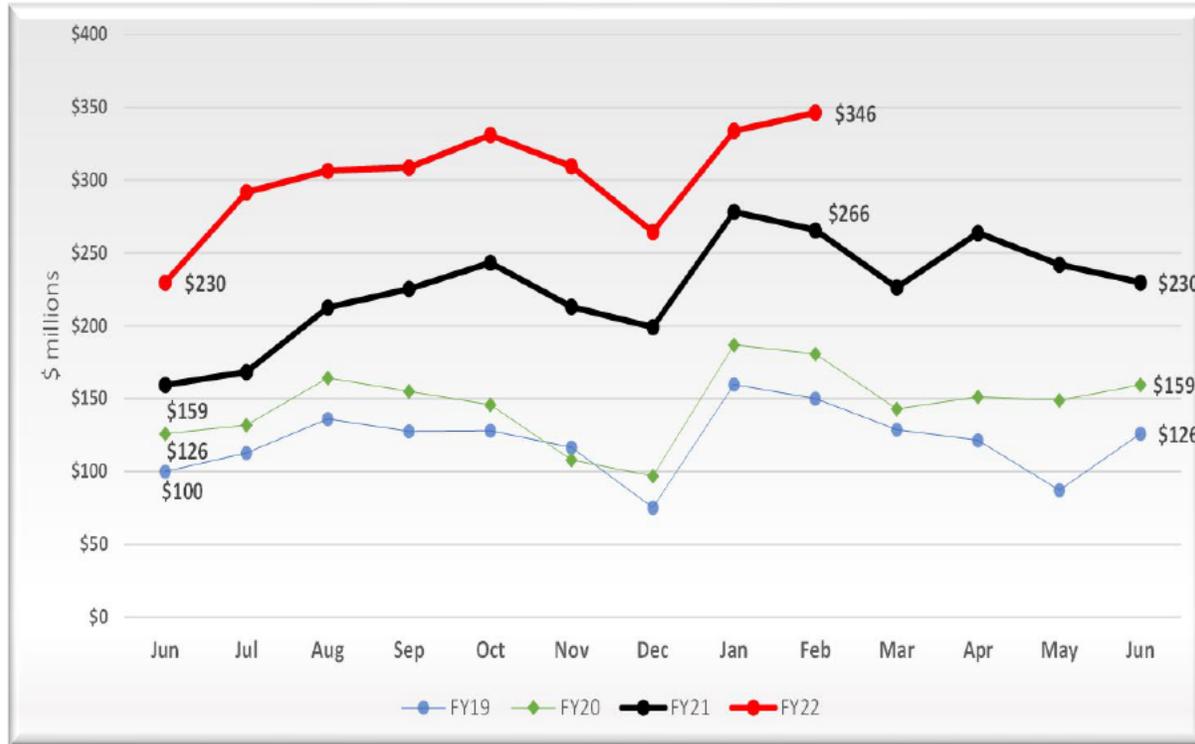
## YTD Period Ended February 28, 2022 (FY2022) and 2021 (FY2021)

(in thousands)

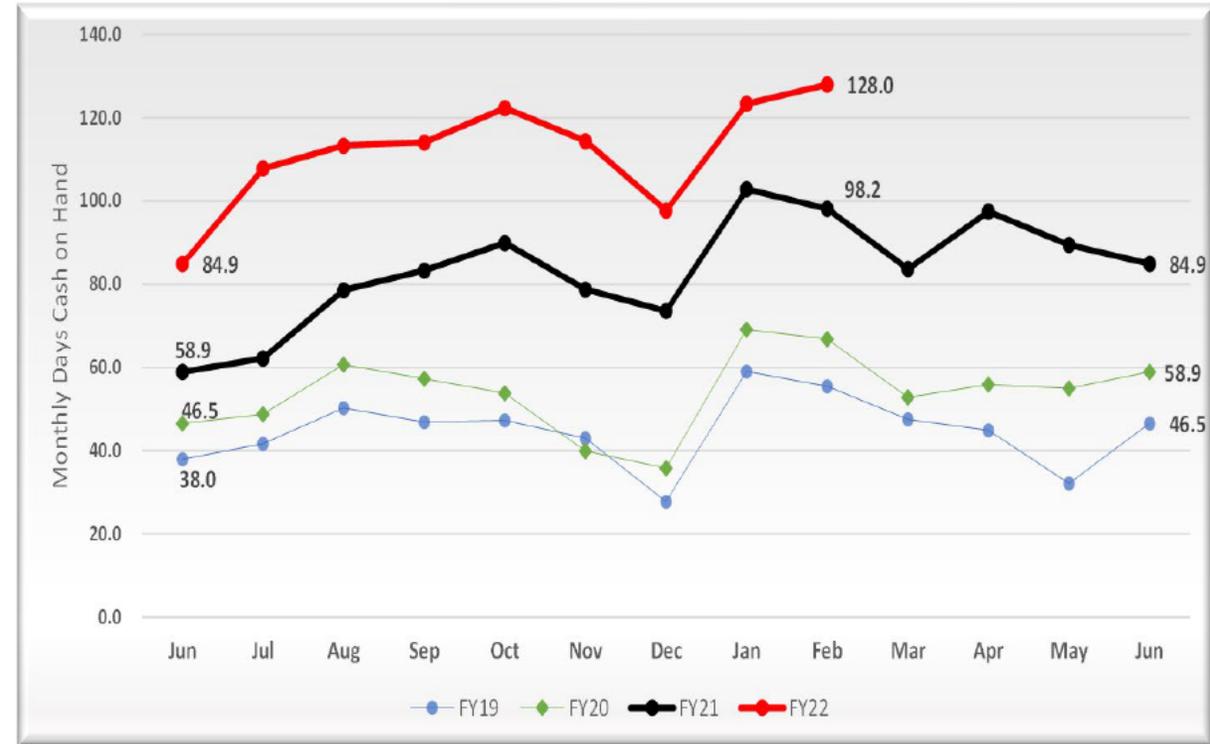
	FY 2022				FY 2021			
	Consolidated	ULSA (mostly general fund)	ULRF	ULAA	Consolidated	ULSA (mostly general fund)	ULRF	ULAA
Total Revenues	933,457	471,737	369,595	92,125	814,740	431,224	324,623	58,893
Total Expenses	816,947	362,753	364,772	89,422	728,806	325,697	333,504	69,605
Total Increase in Net Position	116,510	108,984	4,823	2,703	85,934	105,527	(8,881)	(10,712)
Year-Over-Year Change	30,576	3,457	13,704	13,415				
FYE 6/30/2021 normalized results (for reference)	(5,784)	4,332	6,088	(16,204)				

# Liquid Cash and Days Cash on Hand – FY 2019 to FY 2022

Actuals through February 28, 2022 - FY 2022



Dollar amounts in millions



Days cash on hand amounts

# Summary of Investments

## As of February 28, 2022 (in thousands)

Investment Type	Maturity	Total Amount Invested	Average Category Yield	Estimated Annual Income
Money Markets	Current	116,009	0.03%	35
Checking Account, CEBRB, etc.	Current	25,043	0.06%	14
Treasury Bill	Less than 3 Months	105,000	0.21%	225
Agency Discount Notes	Less than 3 Months	30,000	0.19%	58
Agency Notes	Less than 3 Years	37,564	0.57%	216
Municipal Bonds	Less than 3 Years	10,865	0.44%	48
Certificates of Deposit	Less than 3 Years	250	0.10%	0
<b>Total Portfolio*</b>		<b>324,731</b>		<b>595</b>

\* Investments portfolio includes cash in operating bank accounts. Cash held by third party trustees or the state is not included

# Comparison to Budget Analysis

## YTD 2/28/2022

(Modified Cash Basis)



**University of Louisville and Affiliated Corporations**  
**A Component Unit of the Commonwealth of Kentucky**  
**Statements of Net Position (UNAUDITED)**  
**February 28, 2022 and 2021**

	FY 2022	FY 2021	Difference	Percent
<b>ASSETS</b>				
Current Assets				
Cash and cash equivalents	\$ 256,749	\$ 252,129	\$ 4,620	2 %
Short-term investments	88,302	24,193	64,109	265 %
Deposit with bond trustee and escrow agent	33	5,746	(5,713)	(99)%
Loans, accounts and contributions receivable, net	80,383	77,634	2,749	4 %
Due from affiliates	37,139	7,035	30,104	428 %
Inventories	5,213	5,903	(690)	(12)%
Investments held with University of Louisville Foundation, Inc.	3,470	2,165	1,305	60 %
Other assets	3,027	2,057	970	47 %
Total current assets	<u>474,316</u>	<u>376,862</u>	<u>97,454</u>	<u>26 %</u>
Noncurrent Assets				
Restricted cash and cash equivalents	32,303	32,398	(95)	(0)%
Deposit with bond trustee and escrow agent	24,990	20,025	4,965	25 %
Loans, accounts and contributions receivable, net	50,864	54,358	(3,494)	(6)%
Due from affiliates	11,123	23,237	(12,114)	(52)%
Other long-term investments	757	956	(199)	(21)%
Other long-term assets	382	260	122	47 %
Capital assets, net	1,055,144	1,065,127	(9,983)	(1)%
Total noncurrent assets	<u>1,175,563</u>	<u>1,196,361</u>	<u>(20,798)</u>	<u>(2)%</u>
Total assets	<u>1,649,879</u>	<u>1,573,223</u>	<u>76,656</u>	<u>8 %</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
	<u>17,305</u>	<u>13,687</u>	<u>3,618</u>	<u>26 %</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u>1,667,184</u>	<u>1,586,910</u>	<u>80,274</u>	<u>5 %</u>

University of Louisville and Affiliated Corporations  
A Component Unit of the Commonwealth of Kentucky  
Statements of Net Position (UNAUDITED)  
February 28, 2022 and 2021

	FY 2022	FY 2021	Difference	Percent
<b>LIABILITIES</b>				
Current Liabilities				
Accounts payable and accrued liabilities	74,816	93,113	(18,297)	(20)%
Line of credit	9,000	-	9,000	0%
Unearned compensation and wages payable	1,412	2,699	(1,287)	(48)%
Advances	3,941	43,526	(39,585)	(91)%
Bonds and notes payable	22,654	23,854	(1,200)	(5)%
Total current liabilities	<u>111,823</u>	<u>163,192</u>	<u>(51,369)</u>	<u>17 %</u>
Noncurrent Liabilities				
Note payable to University of Louisville Foundation, Inc.	1,000	1,000	-	- %
Unearned compensation and wages payable	2,364	1,246	1,118	90 %
Deposits	1,826	1,056	770	73 %
Advances	6,533	6,989	(456)	(7)%
Amounts due to federal government for student loan programs	17,311	17,145	166	1 %
Other post-retirement benefits	80,238	74,239	5,999	8 %
Other long-term liabilities	5,045	6,127	(1,082)	(18)%
Bonds and notes payable	283,090	248,707	34,383	14 %
Total noncurrent liabilities	<u>397,407</u>	<u>356,509</u>	<u>40,898</u>	<u>11 %</u>
Total liabilities	<u>509,230</u>	<u>519,701</u>	<u>(10,471)</u>	<u>(2)%</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>61,480</u>	<u>65,829</u>	<u>(4,349)</u>	<u>(7)%</u>
<b>NET POSITION</b>				
Net investment in capital assets	787,639	807,166	(19,527)	(2)%
Restricted:				
Nonexpendable	1,868	1,373	495	36 %
Expendable	74,844	87,846	(13,002)	(15)%
Unrestricted	232,123	104,995	127,128	121 %
Total net position	<u>1,096,474</u>	<u>1,001,380</u>	<u>95,094</u>	<u>9 %</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<u>\$ 1,667,184</u>	<u>\$ 1,586,910</u>	<u>\$ 80,274</u>	<u>5 %</u>

University of Louisville and Affiliated Corporations  
A Component Unit of the Commonwealth of Kentucky  
**Statements of Revenues, Expenses, and Changes in Net Position (UNAUDITED)**  
February 28, 2022 and 2021

	FY 2022	FY 2021	Difference	Variance
<b>OPERATING REVENUES</b>				
Gross student tuition and fees	\$ 316,654	\$ 315,005	\$ 1,649	1 %
Less: Discount	\$ (44,792)	(49,242)	4,450	(9)%
Net student tuition and fees	271,862	265,763	6,099	2 %
Clinical services and practice plan	244,112	214,187	29,925	14 %
Federal grants and contracts	53,127	49,555	3,572	7 %
State and local grants and contracts	11,327	5,343	5,984	112 %
Nongovernmental grants and contracts	11,030	8,741	2,289	26 %
Sales and services of educational departments	3,247	2,027	1,220	60 %
Facilities and administrative cost recoveries	24,454	19,489	4,965	25 %
Auxiliary enterprises	12,858	10,094	2,764	27 %
Intercollegiate athletics	57,094	33,661	23,433	70 %
Other operating revenue	11,648	8,144	3,504	43 %
Total operating revenue	700,759	617,004	83,755	14 %
<b>OPERATING EXPENSES</b>				
Instruction	170,701	159,720	10,981	7 %
Research	100,681	93,984	6,697	7 %
Public service	95,734	78,855	16,879	21 %
Academic support	107,753	108,168	(416)	(0)%
Student services	21,458	18,715	2,743	15 %
Institutional support	61,379	52,991	8,388	16 %
Operation and maintenance of plant	45,503	35,482	10,021	28 %
Scholarships and fellowships	95,802	81,262	14,540	18 %
Auxiliary enterprises	5,596	5,186	410	8 %
Intercollegiate athletics	78,788	59,227	19,561	33 %
Depreciation and amortization	33,552	35,216	(1,664)	(5)%
Total operating expense	816,947	728,806	88,141	12 %
Operating gain/(loss)	(116,188)	(111,802)	(4,386)	4 %

University of Louisville and Affiliated Corporations  
A Component Unit of the Commonwealth of Kentucky  
**Statements of Revenues, Expenses, and Changes in Net Position (UNAUDITED)**  
February 28, 2022 and 2021

	FY 2022	FY 2021	Difference	Variance
<b>NONOPERATING REVENUES (EXPENSES)</b>				
State appropriations	105,162	102,503	2,659	3 %
Gifts and donations	24,672	17,208	7,464	43 %
Nonexchange grants and contracts	70,304	51,559	18,745	36 %
Contributions from University of Louisville Foundation, Inc.	24,259	18,852	5,407	29 %
Investment income	395	412	(17)	(4)%
Realized and unrealized gain on investments	(2,338)	(269)	(2,069)	769 %
Interest on capital asset-related debt	3,649	985	2,664	270 %
Other nonoperating revenue (expense)	452	137	315	230 %
Net nonoperating revenue	226,555	191,387	35,168	18 %
Income (Loss) before other revenue, expense, gains and losses	110,367	79,585	30,782	39 %
Capital appropriations	169	55	169	100%
Capital gifts	5,974	6,294	(3,022)	(64)%
Total other revenue	6,143	6,349	(2,853)	(45)%
Increase (decrease) in net position	116,510	85,934	30,576	36 %
<b>NET POSITION</b>				
Net position - beginning of year	979,964	915,446	64,518	7 %
Net position - end of year	1,096,474	\$ 1,001,380	\$ 95,094	9 %

# Budget-to-Actual Report thru February

## FY 2022 vs. FY 2021 (modified cash basis)

Status Indicators	
Better than Expected	
As Expected	
Worse than Expected	

Revenues	FY 2022				FY 2021	Year-over-Year	
	Annual Budget	YTD February	% Realized	Status	YTD February	\$ Change	
<b>General Funds</b>							
Tuition and Fees	339,524,920	316,689,687	93.3%		312,412,583	4,277,104	FY 22 tuition rate increase; grad enrollment increase
State Appropriations	130,129,300	104,103,300	80.0%		101,645,500	2,457,800	Performance funding increase
Transfers In	30,779,202	10,957,349	35.6%		12,302,699	(1,345,350)	Timing of debt service from ULAA and ULRF
Other Revenue	13,882,080	7,980,763	57.5%		7,329,970	650,793	Increase in child care revenues (ELC) among others
Auxiliaries	13,620,308	12,349,314	90.7%		10,659,596	1,689,718	Improvement in parking, housing, bookstore revenues from COVID lows
Hospital-Related	1,133,097	382,091	33.7%		5,782,083	(5,399,992)	Hospital rent recorded in non-general fund beginning with FY22
CARES / Federal Relief Funds	6,000,000	5,804,953	96.7%		0	5,804,953	Offset to lost tuition and Canon revenues
<b>General Funds Total</b>	<b>535,068,907</b>	<b>458,267,457</b>	<b>85.6%</b>		<b>450,132,431</b>	<b>8,135,026</b>	
<b>Non-General Funds</b>							
UL Research Foundation	601,175,406	506,430,669	84.2%		397,500,160	108,930,510	See "Description of Notable Revenue Changes" section
UL Athletic Association	107,700,000	102,990,534	95.6%		71,852,893	31,137,641	Post-pandemic increase in game attendance
UL Foundation	56,376,651	26,464,116	46.9%		18,728,552	7,735,564	See "Description of Notable Revenue Changes" section
Internally Designated	18,726,327	28,085,255	150.0%		17,929,658	10,155,597	Includes transfers across funds; offsetting expenses
<b>Non-General Funds Total</b>	<b>783,978,384</b>	<b>663,970,574</b>	<b>84.7%</b>		<b>506,011,263</b>	<b>157,959,311</b>	
<b>Total Revenues</b>	<b>\$1,319,047,291</b>	<b>\$1,122,238,031</b>	<b>85.1%</b>		<b>\$956,143,694</b>	<b>\$166,094,336</b>	
<i>General funds received in prior years</i>	3,581,945						
<i>Non-general funds received in prior yec</i>	12,624,145						
<b>Total Funds Budgeted</b>	<b>\$1,335,253,382</b>						
<b>Expenses</b>							
Expenses	FY 2022				FY 2021	Change	
	Annual Budget	YTD February	% of Budget	Status	YTD February	Change	
<b>All Funds</b>							
Salary	582,037,186	367,996,099	63.2%		348,491,619	19,504,480	See "Description of Notable Expense Changes" section
Fringe Benefits	148,173,849	95,959,748	64.8%		80,622,977	15,336,771	See "Description of Notable Expense Changes" section
Operating	393,177,129	340,592,180	86.6%		244,248,121	96,344,059	See "Description of Notable Expense Changes" section
Financial Aid	157,408,757	150,379,178	95.5%		136,014,840	14,364,337	See "Description of Notable Expense Changes" section
Capital Asset & Debt Service	31,762,410	15,988,292	50.3%		15,301,477	686,815	
Utilities	22,694,052	11,763,419	51.8%		11,698,156	65,263	
<b>Total Expenses</b>	<b>\$1,335,253,382</b>	<b>982,678,915</b>	<b>73.6%</b>		<b>\$836,377,190</b>	<b>\$146,301,725</b>	
<b>Revenue Over/(Under) Expenses</b>	<b>(\$0)</b>	<b>\$139,559,116</b>			<b>\$119,766,504</b>	<b>\$19,792,611</b>	

# Budget-to-Actual Report thru February

FY 2022 vs. FY 2021 (modified cash basis)

## Description of Notable Revenue Changes

Revenues	Actuals (February)		Change	
	FY 2022	FY 2021		
Tuition and Fees	316,689,687	312,412,583	4,277,104	Tuition rate increase; strong grad enrollment
UL Research Foundation	506,430,669	397,500,160	108,930,510	
<i>Sponsored Research</i>	<i>111,135,733</i>	<i>93,337,689</i>	<i>17,798,044</i>	<i>\$9.1M related to COVID grants (e.g., wastewater testing); +\$1.3M healthcare cybersecurity</i>
<i>F&amp;A Recovery</i>	<i>23,492,126</i>	<i>18,754,928</i>	<i>4,737,198</i>	<i>Increase in research activity</i>
<i>Pass-through financial aid</i>	<i>62,187,911</i>	<i>44,863,189</i>	<i>17,324,722</i>	<i>Increase in CARES and timing of receipt of state CAP funds</i>
<i>Clinical-related activities</i>	<i>282,120,476</i>	<i>220,569,633</i>	<i>61,550,843</i>	<i>Increased clinical activity plus IGT pass-through and Norton's</i>
<i>All other</i>	<i>27,494,423</i>	<i>19,974,721</i>	<i>7,519,702</i>	<i>\$1.8M grant residuals and RIFs; +\$4.2M timing related for F&amp;A transfers</i>
UL Athletic Association	102,990,534	71,852,893	31,137,641	
UL Foundation	26,464,116	18,728,552	7,735,564	

## Description of Notable Expense Changes

Expenses	Actuals (February)		Change	
	FY 2022	FY 2021		
Salaries and Wages	367,996,099	348,491,619	19,504,480	Primarily due to one-time bonus and 1% COLA in August
Fringe Benefits	95,959,748	80,622,977	15,336,771	Primarily due to restoring employer retirement contributions
Financial Aid	150,379,178	136,014,840	14,364,337	Increase primarily tied to CARES funding
Operating	340,592,180	244,248,121	96,344,059	
<i>Core Operating (exldg. transfers)</i>	<i>223,415,495</i>	<i>149,965,566</i>	<i>73,449,929</i>	
<i>Maintenance</i>	<i>10,078,650</i>	<i>8,600,018</i>	<i>1,478,631</i>	
<i>Operating</i>	<i>28,024,685</i>	<i>24,733,105</i>	<i>3,291,579</i>	
<i>Services</i>	<i>98,752,765</i>	<i>48,336,064</i>	<i>50,416,701</i>	<i>\$35M IGT contractual (offsetting revenue); +\$5.7M grant subawards; \$2M ERP; \$1M brand marketing</i>
<i>Subscriptions</i>	<i>24,235,704</i>	<i>16,548,026</i>	<i>7,687,677</i>	<i>Athletics' away game tickets +\$4.2M; +\$0.7M increase in Libraries' subscription costs</i>
<i>Travel</i>	<i>8,900,757</i>	<i>3,369,799</i>	<i>5,530,958</i>	<i>Increase follows year of historically low levels of travel due to COVID</i>

FY 2021 Actuals Thru February

UofL Standalone Entity						
	General Funds	Foundation	Internally Designated	UL Research Foundation	Athletics	All Funds
<b>Revenues</b>						
Tuition and Fees	312,412,583					312,412,583
State Funds	161,645,500					161,645,500
Transfers to General Fund	12,302,699					12,302,699
Auxiliaries	10,659,596					10,659,596
Clinical (inclg Hospital support)	5,782,083			220,569,633		226,351,716
Sponsored Agreements				93,337,689		93,337,689
Pass Through Financial Aid				44,863,189		44,863,189
Other Revenue	7,329,970	18,728,552	17,929,658	38,729,649	71,852,893	154,570,722
CARES	0					0
<b>Total Revenues</b>	<b>450,132,431</b>	<b>18,728,552</b>	<b>17,929,658</b>	<b>397,500,160</b>	<b>71,852,893</b>	<b>956,143,694</b>
<b>Expenditures</b>						
Salary	161,574,247	11,263,911	2,287,657	150,028,230	23,337,575	348,491,619
Fringe Benefits	41,056,272	2,333,665	476,867	32,884,006	3,872,167	80,622,977
Operating	45,574,417	6,673,659	2,997,497	148,845,578	40,161,912	244,253,062
Scholarships	60,646,851	5,117,456	513,785	55,610,887	14,125,862	136,014,840
Capital Asset plus Debt Service	26,284,021	0	(11,237,158)	0	254,614	15,301,477
Utilities	11,089,670	2,191	0	40,790	560,564	11,693,215
<b>Total Expenditures</b>	<b>346,225,477</b>	<b>25,390,882</b>	<b>(4,964,382)</b>	<b>387,409,490</b>	<b>82,312,694</b>	<b>826,377,190</b>
<b>Revenues less Expenses</b>	<b>103,906,954</b>	<b>(6,662,330)</b>	<b>22,891,011</b>	<b>10,090,670</b>	<b>(10,459,801)</b>	<b>119,766,504</b>

FY 2022 Actuals Thru February

	General Funds	Foundation	Internally Designated	UL Research Foundation	Athletics	All Funds
<b>Revenues</b>						
Tuition and Fees	316,689,687					316,689,687
State Funds	104,103,300					104,103,300
Transfers to General Fund	10,957,349					10,957,349
Auxiliaries	12,943,750					12,943,750
Clinical (inclg Hospital support)	382,091			264,991,676		265,373,767
Sponsored Agreements				111,158,426		111,158,426
Pass Through Financial Aid				62,187,911		62,187,911
Other Revenue	7,386,327	26,464,116	28,085,255	68,092,656	102,990,534	233,018,887
CARES	5,804,953					5,804,953
<b>Total Revenues</b>	<b>458,267,457</b>	<b>26,464,116</b>	<b>28,085,255</b>	<b>506,430,669</b>	<b>102,990,534</b>	<b>1,122,238,031</b>
<b>Expenditures</b>						
Salary	168,555,361	11,414,454	2,509,593	154,706,286	30,810,404	367,996,099
Fringe Benefits	50,204,726	2,796,814	590,733	37,346,854	5,020,620	95,959,748
Operating	53,901,067	9,636,938	3,389,388	224,446,522	49,218,316	340,592,180
Scholarships	62,073,550	5,833,202	436,071	68,305,442	13,730,913	150,379,178
Capital Asset plus Debt Service	25,246,515	0	(10,109,319)	25,721	825,375	15,989,292
Utilities	10,993,248	64,569	12,334	55,754	637,515	11,762,419
<b>Total Expenditures</b>	<b>370,974,468</b>	<b>29,745,976</b>	<b>(3,171,250)</b>	<b>484,886,580</b>	<b>100,243,142</b>	<b>982,678,915</b>
<b>Revenues less Expenses</b>	<b>87,292,989</b>	<b>(3,281,860)</b>	<b>31,256,506</b>	<b>21,544,090</b>	<b>2,747,392</b>	<b>139,559,116</b>

Change FY 2021 to FY 2022 (Thru February)

	General Funds	Foundation	Internally Designated	UL Research Foundation	Athletics	All Funds
<b>Revenues</b>						
Tuition and Fees	4,277,104	0	0	0	0	4,277,104
State Funds	2,457,000	0	0	0	0	2,457,000
Transfers to General Fund	(1,345,350)	0	0	0	0	(1,345,350)
Auxiliaries	2,284,154	0	0	0	0	2,284,154
Clinical (inclg Hospital support)	(5,399,992)	0	0	44,422,043	0	39,022,051
Sponsored Agreements	0	0	0	17,820,738	0	17,820,738
Pass Through Financial Aid	0	0	0	17,324,722	0	17,324,722
Other Revenue	56,357	7,735,564	10,155,597	29,363,007	31,137,641	78,448,165
CARES	5,804,953	0	0	0	0	5,804,953
<b>Total Revenues</b>	<b>8,135,026</b>	<b>7,735,564</b>	<b>10,155,597</b>	<b>108,930,510</b>	<b>31,137,641</b>	<b>166,094,336</b>
<b>Expenditures</b>						
Salary	6,981,115	150,543	221,936	4,678,056	7,472,830	19,504,480
Fringe Benefits	9,148,455	463,149	113,865	4,462,849	1,148,453	15,336,771
Operating	8,326,651	2,963,779	391,841	75,600,944	9,056,404	96,339,118
Scholarships	1,426,699	715,746	(77,713)	12,694,555	(394,950)	14,364,337
Capital Asset plus Debt Service	(1,037,505)	0	1,177,839	25,721	570,761	686,815
Utilities	(96,422)	62,377	12,334	14,964	76,951	70,204
<b>Total Expenditures</b>	<b>24,748,991</b>	<b>4,395,694</b>	<b>1,790,102</b>	<b>97,477,090</b>	<b>17,910,448</b>	<b>146,308,225</b>
<b>Revenues less Expenses</b>	<b>(16,613,966)</b>	<b>3,339,870</b>	<b>8,365,495</b>	<b>11,453,420</b>	<b>13,227,192</b>	<b>19,786,111</b>



## UNIVERSITY ADVANCEMENT UPDATE

Jasmine Farrier  
Vice President  
University Advancement

April 28, 2022

# PHILANTHROPY REPORT

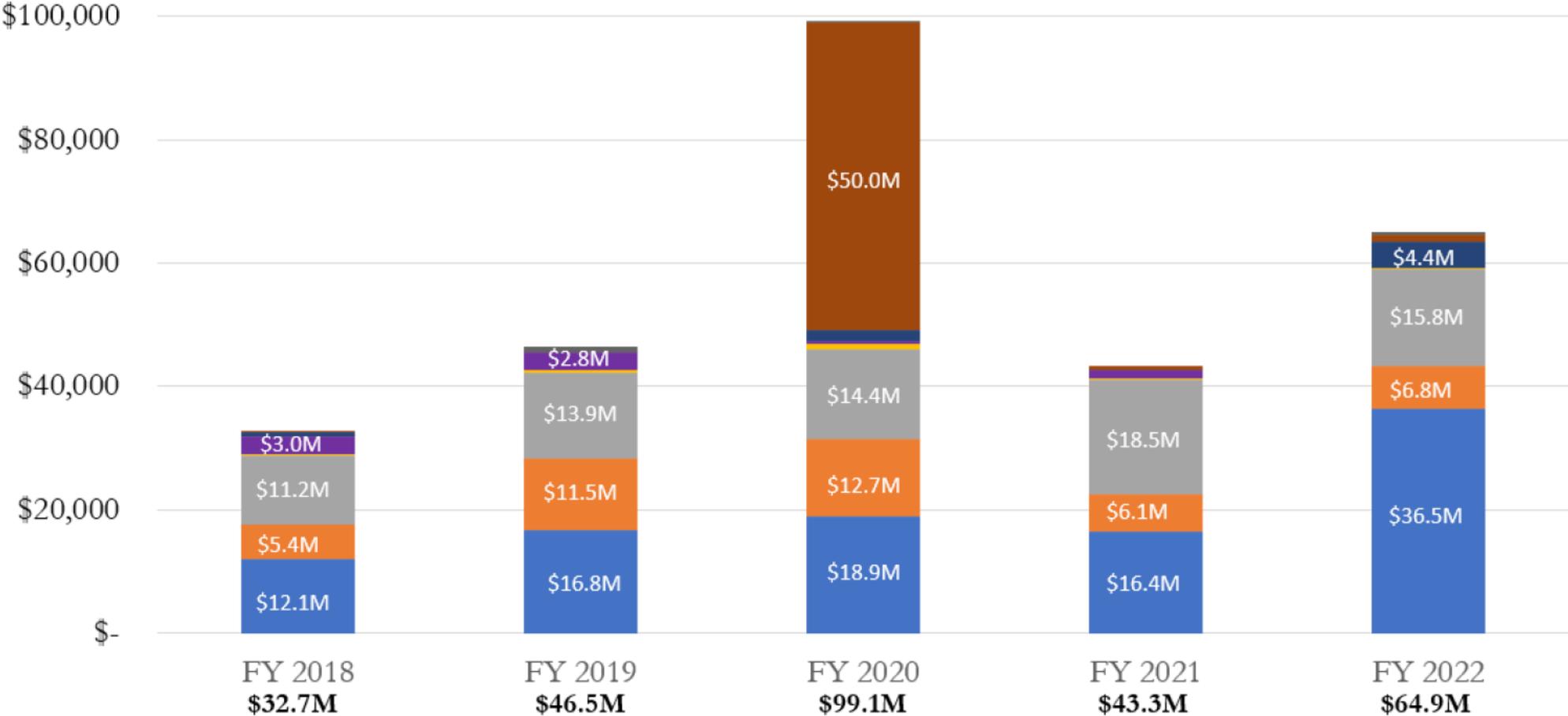
FY22 THROUGH MARCH 31

(in thousands)

\*Total Philanthropy includes outright gifts, pledges (including bequests) and matching gifts.  
 \*\$50 million in FY20 was connected to UofL Health acquisition

## Fiscal Year to Date Comparison

- Current Use
- Endowment
- Athletics
- Gifts-in-Kind
- Grants
- PMOB
- Deferred
- UofL Health
- Direct Support



# RECENT PRINCIPAL GIFTS FOR FY22

## Current Use Gifts and Pledges:

- *School of Nursing*: \$600k from Gheens Foundation for renovations
- *Speed School*: \$286k from Ginkgo Fund for new training spaces/ STEM pipeline
- *Speed School*: \$100k from Brown-Forman Foundation for student success fund initiatives
- *Health Equity Hub*: \$12.5M from Humana Foundation to advance health equity

## Bequests and Trusts:

- *Kent School of Social Work*: \$300k for scholarships in MSSW program
- *Kent School of Social Work*: \$400k for scholarships for MS in Couples and Family Therapy
- *Brandeis School of Law/Diversity Initiatives*: \$1M Charitable Lead Trust from sale of Amy Sherald painting to support law students and undergraduate financial aid

# UNIVERSITY ADVANCEMENT OVERVIEW

## DEVELOPMENT (Belknap, HSC, and UofL Health Major Gift Fundraising; Planned Giving; and Annual Giving)

- Facilitate current-use gifts and endowments through annual giving, major giving, corporate foundation relations, and planned giving
- Collaborate with Deans and administrators to gain support for strategic priorities
- Coordinate with Office of Stewardship and ULF to facilitate reporting impact of giving to donors
- Manage online giving platforms for Advancement and development communications
- Current fundraising staff: 32 (8 current and upcoming vacancies)

## ALUMNI RELATIONS

- Facilitate engagement efforts to connect over 150,000 alumni to the university
- Coordinate councils, chapters, special engagement projects, raiseRed, and other student philanthropy areas
- Manage alumni communications for all schools and colleges
- Current staff: 11

## ADVANCEMENT SERVICES

- Build and maintain donor database of over 300,000 records
- Maintain updated donor biographies/prospect research to serve daily needs of entire unit
- Develop and maintain online donor portal and all IT platforms; manage current Blackbaud CRM conversion
- Current staff: 15 (1 vacancy)

## CENTRAL ADVANCEMENT/OPERATIONS/ADMIN STAFF

- Office of the Vice President: VP, Chief of Staff, and Office of Stewardship (5 staff)
- Business operations: budget management and reporting, travel, university compliance, and human resources (4 staff)
- Administrative support for Development Team (4 staff, 1 vacancy)

# **ANNUAL GIVING SNAPSHOT FOR FY22**

## **(Gifts and pledges totaling less than \$25k)**

On April 1, 2022, we surpassed the total amount for all FY21 Annual Giving

- \$5M FY22 YTD
- \$4.1M FY21 YTD
- 5011 new annual giving donors so far in FY22
- Alumni giving steady, faculty/staff giving trending upward
- Types of appeals/campaigns: phonathon calls, crowdfunding, emails, mail, texts, events
- Annual giving staff: Sr. Director, Coord. for Annual Giving on HSC, Assoc. Director of Communications

# **PRIORITIES FOR NEXT YEAR**

Advancement staffing for key development positions

Strategic budget alignment for annual giving initiatives

Full board and council philanthropic participation

Opportunities for follow-up with Advancement development leadership

*Thank you for your support to continue the University of Louisville's momentum!*