



UNIVERSITY OF  
**LOUISVILLE**®

# Presentation to Budget Review Subcommittee on Education

John Smith, Member of Board of Trustees

THE THINKER  
BY AUGUSTE RODIN  
A GIFT TO THE PEOPLE  
OF LOUISVILLE BY THE

**August 20, 2019**

# UofL's Mission

- **1798 university established**
  - Providing advanced level of education to young people of a frontier settlement
- **1970 university joins state public system of higher education**
- **1997 HB 1 charged UofL with becoming, “*premier nationally recognized metropolitan research university*”**
- **Current mission statement:**

The University of Louisville pursues excellence and inclusiveness in its work to educate and serve its community through:

1. teaching diverse undergraduate, graduate, and professional students in order to develop engaged citizens, leaders, and scholars,
2. practicing and applying research, scholarship and creative activity, and
3. providing engaged service and outreach that improve the quality of life for local and global communities.

The University is committed to achieving preeminence as a nationally recognized metropolitan research university.

# UofL's Board Requirements

**SB12 enacted in 2017 (KRS 164.821)**

**10 members appointed by governor ( $\geq 1$  UofL grad)**

**1 member from faculty**

**1 member from permanent staff**

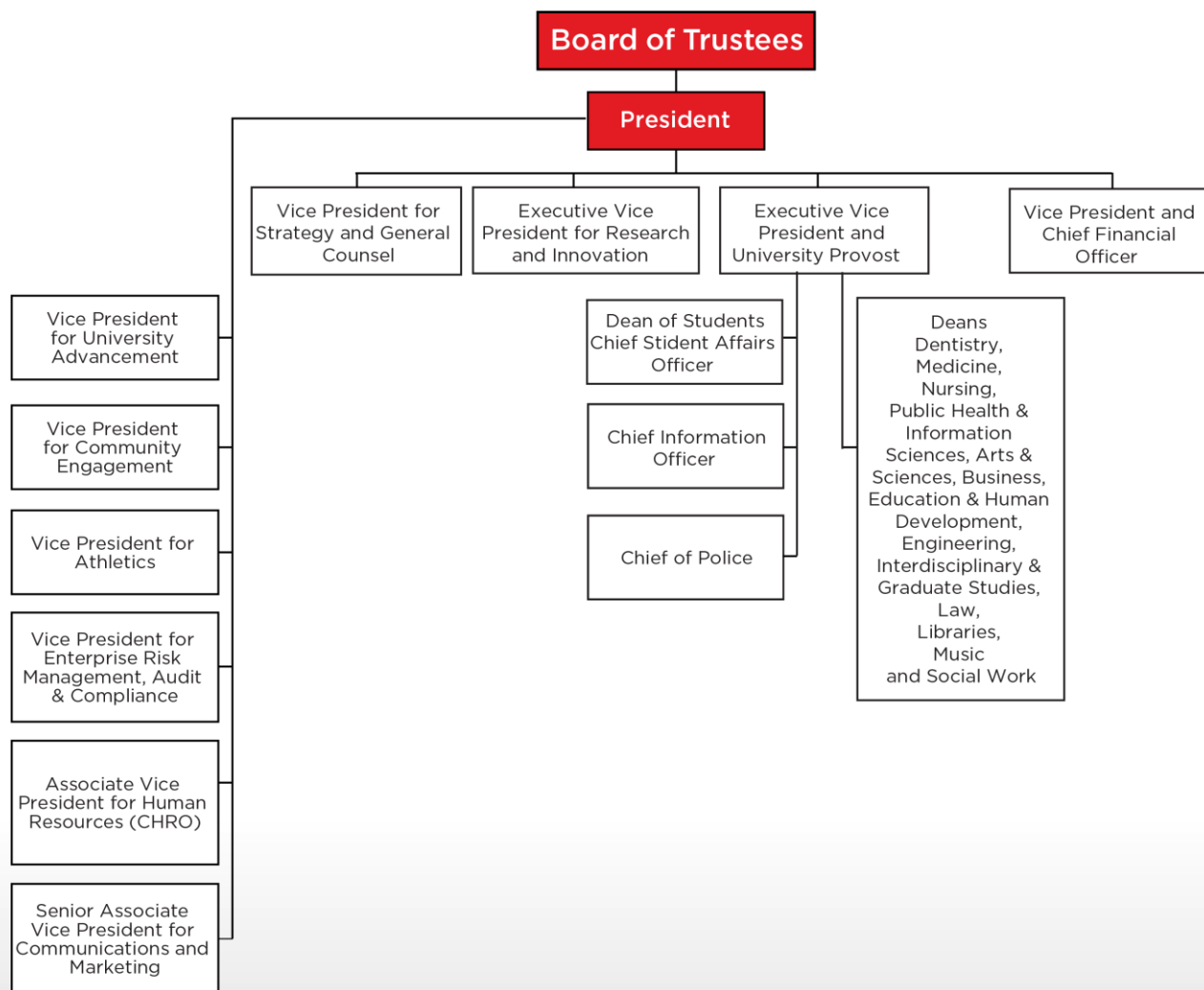
**1 student member (president of student body)**

**13 total members**

## **Appointed members:**

- Serve terms of 6 years
- Represent two leading political parties in the Commonwealth
- Minority racial composition no less than proportional representation of Commonwealth

# UofL Governance Structure



# Board of Trustees



**Mary R. Nixon**  
Chair



**Raymond M. Burse, J.D.**  
Vice Chair



**Diane B. Medley**  
Treasurer



**Bonita K. Black, J.D.**  
Secretary



**Sandra Frazier**



**J. David Grissom, J.D.**



**Jasper Noble**  
Student Rep.



**James M. Rogers**



**Nitin Sahney**



**John D. Smith**  
Staff Rep.



**Krista Wallace-Boaz, Ph.D.**  
Faculty Rep.



**Fred Williams, Jr., M.D.**



**Ronald Lynn Wright, M.D.**

## Diversity of Board & Shared Governance

- Former vice president of Fortune 500 Company
- Former university president
- Managing partner of CPA firm
- Three attorneys
- Two physicians
- Faculty, staff, and student members

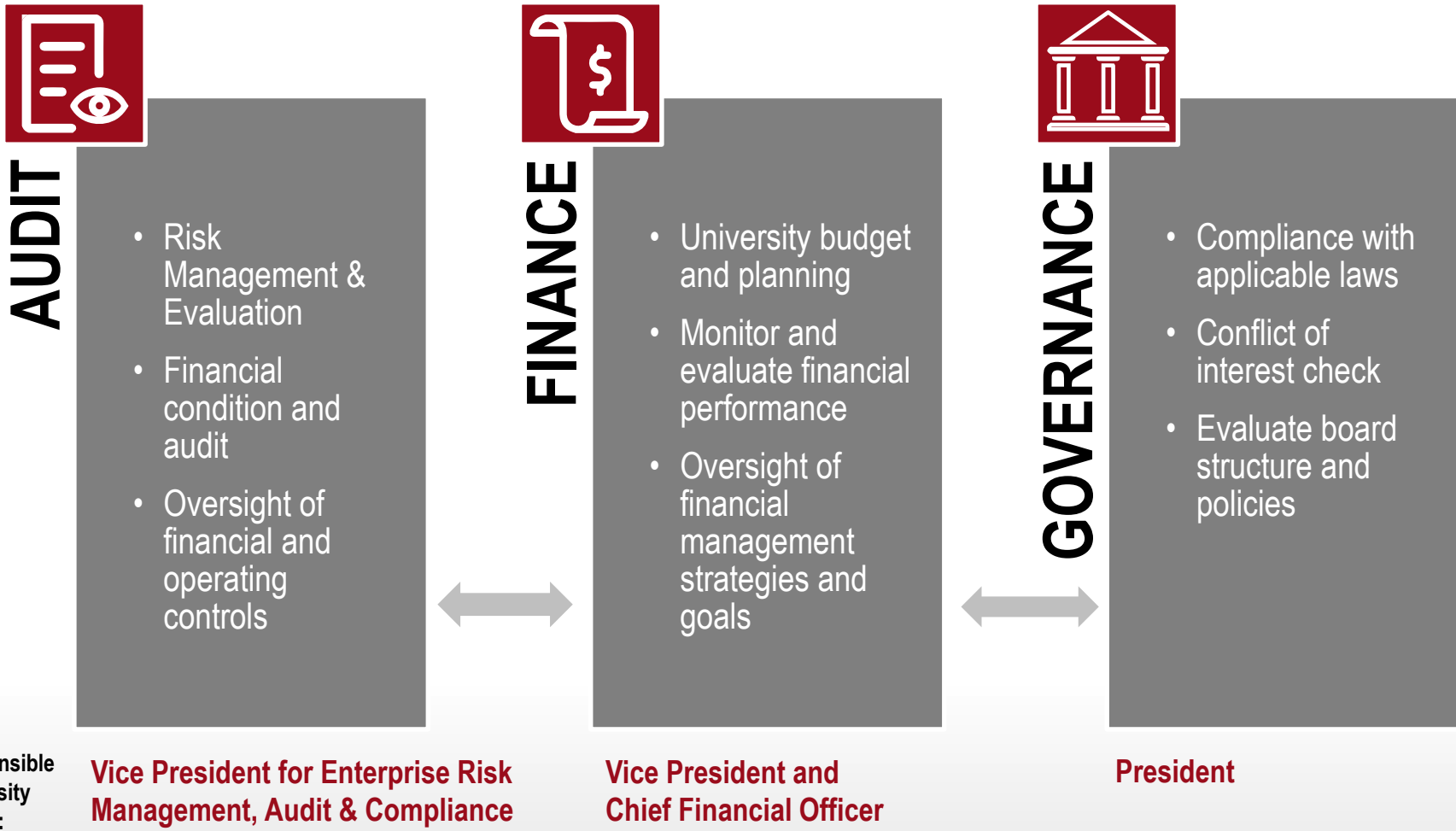


# Committees that Support the Board of Trustees

- **Academic and Student Affairs**
  - Consider all recommendations for academic centers, institutes, and other entities
  - Consider faculty promotion and tenure requests
- **Executive and Compensation**
  - Annually conduct evaluation of President
- **Audit, Compliance, and Risk**
- **Governance, Trusteeship, and Nominating**
- **Finance**

# Board Governance on Financial Management

## Board of Trustees



# Integrated Financial Planning and Management Cycle

## PLAN

### UNIVERSITY ACTIVITY

- Identify financial opportunities and risks

### BOARD INVOLVEMENT

- Set budget goals and objectives

## BUDGET DEVELOPMENT

### UNIVERSITY ACTIVITY

- CFO meets w/ deans, faculty, and staff
- Budget meetings w/ provost
- Recommend all funds budget outline
- Multi-year approach
- Focus on contingency

### BOARD INVOLVEMENT

- Hold public budget workshop meeting
- Review materials
- Identify priorities
- Establish tuition and salary parameters

## EVALUATE

### UNIVERSITY ACTIVITY

- Monitor revenues and expenses each month to ensure alignment with expectations

### BOARD INVOLVEMENT

- Review quarterly financial statements and budget-to-actual reports at each board meeting

## EXECUTE

### UNIVERSITY ACTIVITY

- Finalize budget and supporting materials

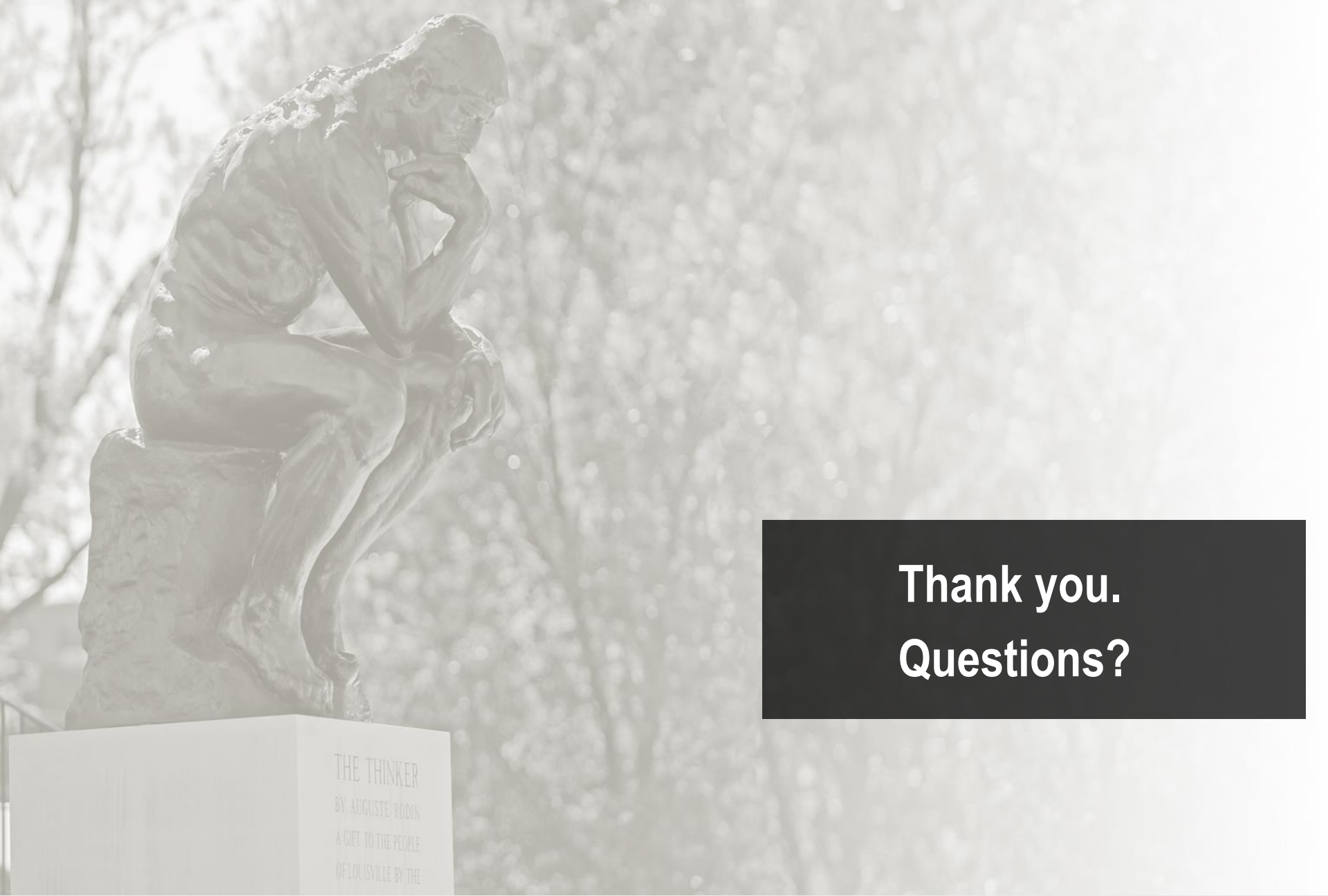
### BOARD INVOLVEMENT

- Review and adopt operating budget



# Linking the Finance Committee with the University

- 1. Committee chair links to responsible university official**
- 2. Open communications**
  - Standing phone calls between Finance Committee chairwoman and CFO
  - Improves operational line-of-sight
  - Budget development
  - Financial monitoring
- 3. Quarterly Finance Committee meetings (minimum)**
- 4. Strategic & Capital Planning**



Thank you.  
Questions?