

COMMONWEALTH OF KENTUCKY
FRANKLIN CIRCUIT COURT
DIVISION _____
CIVIL ACTION NO. 16-CI-_____

COMMONWEALTH OF KENTUCKY
ex rel. ANDY BESHEAR, ATTORNEY GENERAL

PLAINTIFF

v.

**VERIFIED COMPLAINT FOR DECLARATION
OF RIGHTS AND A PERMANENT INJUNCTION**

MATTHEW G. BEVIN, in his official capacity
as Governor of the Commonwealth of Kentucky

DEFENDANT

SERVE: Office of the Attorney General
The Capitol
700 Capitol Avenue
Frankfort, Kentucky 40601-3449

and

WILLIAM M. LANDRUM III, in his official capacity
as Secretary of the Finance and Administration Cabinet

DEFENDANT

SERVE: Office of the Attorney General
The Capitol
700 Capitol Avenue
Frankfort, Kentucky 40601-3449

and

THOMAS B. STEPHENS, in his official capacity
as Secretary Of The Personnel Cabinet

DEFENDANT

SERVE: Office of the Attorney General
The Capitol
700 Capitol Avenue
Frankfort, Kentucky 40601-3449

**VERIFIED COMPLAINT FOR DECLARATION
OF RIGHTS AND FOR INJUNCTIVE RELIEF**

Comes now the Plaintiff, Commonwealth of Kentucky, *ex rel.* Andy Beshear, Attorney General (hereinafter “Attorney General”), by and through counsel, and brings this action for a permanent injunction and declaration of rights against the Defendants, Matthew Griswold Bevin, Governor of the Commonwealth of Kentucky in his official capacity; William M. Landrum III, Secretary of the Finance and Administration Cabinet in his official capacity; Thomas B. Stephens, in his official capacity as Secretary of the Personnel Cabinet.

INTRODUCTION

Governor Bevin claims “absolute authority” to dissolve and reorganize any of the more than approximately 400 state boards, including the independent and autonomous University of Louisville Board of Trustees (“UofL Board”) and other public University boards. These university boards are created and governed by dozens of specific statutes that create checks and balances. These statutes ensure the boards make decisions that benefit the universities, and not do the bidding of the Governor. The Governor’s claimed authority would give him direct control over the university boards as he could simply dissolve them at any time . Thus, Governor Bevin could control decisions about tuition, faculty, course offerings, and budgets at UofL and every other public university.

Pursuant to his proclaimed “absolute authority,” the Governor has issued three illegal Executive Orders regarding the UofL Board. These actions violate numerous sections of the Kentucky Constitution, including the prohibition against suspending statutes, the separation of powers, and the Governor’s duty to faithfully execute the law. They further violate the letter and intent of numerous statutes creating and governing the UofL Board and the university itself. Finally, they do not meet the requirements and violate the intent of Chapter 12, as the

reorganizations are being used to establish and/or increase gubernatorial control and authority, and not for any efficiency.

The Governor’s position threatens the independence of these boards and our very liberty. If the Court were to uphold his claim of “absolute authority,” the Governor could dissolve and reorganize the Board of Elections, potentially changing the outcomes of the democratic process. He could do the same with the Registry of Election Finance if it raised issues with him or his political allies. The potential for abuse is simply untenable. That is exactly why the Governor’s actions are prohibited under Kentucky law.

The Attorney General has a legal duty to uphold Kentucky’s Constitution and its laws. As such, the Attorney General must ensure that the Governor comply with the law. The Attorney General, through this action for declaratory and injunctive relief, seeks to uphold the laws of the Commonwealth and respectfully asks this Court to:

- A. Declare the executive orders of Governor Bevin illegal;
- B. Permanently enjoin the Defendants from enforcing his executive orders related to the UofL Board and from interfering further with the duly constituted and statutory UofL Board and its duly appointed Trustees;

NATURE OF ACTION

1. This Verified Complaint for a Declaration of Rights and Permanent Injunction is governed by the Kentucky Declaratory Judgment Act, KRS 418.010, *et seq.*, CR 57, and CR 65 and is initiated by the Attorney General pursuant to his authority under the Kentucky Constitution, KRS Chapter 15, and the common law.

2. KRS 418.040 provides this court with authority to “make a binding declaration of rights, whether or not consequential relief is or could be asked” when a controversy exists. An

actual and justiciable controversy regarding violations of the Kentucky Constitution and state laws clearly exists in this action.

3. CR 65 permits this court, in a final judgment, to issue a permanent injunction which may restrict or mandatorily direct the doing of an act.

4. Furthermore, this justiciable controversy is capable of repetition but evading review as evidenced by Governor Bevin's pattern of "reorganizing" various autonomous boards and commissions in violation of the law. In fact, the Governor has shown a pattern of "reorganizing" boards right before important decisions were to be made by their members. For example, upon information and belief, the Governor reorganized the Kentucky Horse Park Commission just days before it was set to vote to hire an executive director. Furthermore, upon information and belief, the Governor reorganized the Workers' Compensation Nominating Commission just days before it was scheduled to provide names to the Governor for Administrative Law Judge appointments. The Governor himself even claims that he has unconstrained, "absolute authority" to disband any board or commission he so chooses.¹

5. The Commonwealth requests an expedited review pursuant to KRS 418.050 and CR 57. The Governor's executive orders have caused considerable confusion regarding who shall properly govern UofL. Time is of the essence and this justiciable controversy presents an immediate concern that must be promptly resolved to permit the board to perform its statutory functions.

6. This is an action brought to declare that Governor Bevin's attempts to seize control of the autonomous governing board of the University of Louisville (Exhibit A, Executive Order 2016-338, June 17, 2016; Exhibit B, Executive Order 2016-339; Exhibit C, Executive

¹ Jack Brammer, *Bevin Says He Has 'Absolute Authority' to Disband Any State Board*, LEXINGTON HERALD-LEADER, June 21, 2016 (available at <http://www.kentucky.com/news/politics-government/article85085272.html>). (Last visited June 22, 2016).

Order 2016-391) under the guise of a “reorganization” are null, void, unconstitutional, and of no effect.

7. This is also an action to enjoin Governor Bevin, Finance Secretary Landrum, Personnel Cabinet Secretary Stephens, and all their agents, attorneys and any other persons in active concert or participation with them, from attempting to prevent or interfere with the duly appointed board Trustees’ service as members of the UofL Board.

8. This is also an action to enjoin the purported abolishment and re-creation of the UofL Board as set forth in Executive Orders 2016-338, 2016-339, and 2016-391, until this Court determines whether Governor Bevin has the power under the Kentucky Constitution and Kentucky statute(s) to order the “reorganization of the University of Louisville Board of Trustees.”

PARTIES

9. The Plaintiff, Commonwealth of Kentucky *ex rel.* Andy Beshear, is the duly elected Attorney General of the Commonwealth of Kentucky and is a constitutional officer pursuant to Sections 91, 92 and 93 of the Kentucky Constitution. Pursuant to KRS 15.020, General Beshear is the chief law officer of the Commonwealth and all of its departments, commissions, agencies and political subdivisions. Attorney General Beshear is duly authorized by the Kentucky Constitution, statutes and the common law, including his *parens patriae* authority, to enforce Kentucky law. As Attorney General, he has the authority to bring actions for injunctive and other relief to enforce the Kentucky Constitution and the Commonwealth’s statutes and regulations, including the authority to bring an action against the Governor and other state agencies for injunctive relief. *See* KY. CONST. § 91; KRS 15.020.

10. The Defendant, Governor of Kentucky Matthew Griswold Bevin is a duly elected constitutional officer of the Commonwealth of Kentucky, vested with – but limited by – such powers as are afforded him by the Kentucky Constitution and related state laws. The Governor is the chief executive officer of the Commonwealth charged by Section 81 of the Constitution with taking care that the laws of the Commonwealth be “faithfully executed.”

11. The Defendant William M. Landrum III (“Finance Secretary Landrum”) is a program cabinet Secretary and has been named as a Defendant in his official capacity as the Secretary of the Finance and Administration Cabinet of the Commonwealth of Kentucky.

12. The Defendant Thomas B. Stephens (“Personnel Cabinet Secretary Stephens”) is a program cabinet Secretary named as a Defendant in his official capacity as the Secretary of the Personnel Cabinet of the Commonwealth of Kentucky.

JURISDICTION AND VENUE

13. An actual, justiciable controversy exists and this Court has subject matter jurisdiction over this action pursuant to KRS 418.040, KRS 23A.010, and Rules of Civil Procedure 57 and 65.

14. Venue is appropriate in this Court pursuant to KRS 452.405, since the primary offices of the Attorney General, the Governor, the Finance Secretary, and the Personnel Secretary are located in Frankfort, Franklin County, Kentucky. Furthermore, this action generally relates to violations of various Kentucky constitutional provisions and statutes which were either determined or accomplished in Frankfort, Franklin County, Kentucky. Furthermore, this action generally relates to violations of the Kentucky Constitution, which occurred in Frankfort, Franklin County, Kentucky.

15. Pursuant to KRS 418.040, *et seq.*, this Court may properly exercise *in personam* jurisdiction over the Defendants.

FACTUAL BACKGROUND

I. The Governor’s Illegal Acts Related to the University of Louisville Board of Trustees

A. The University of Louisville and the UofL Board of Trustees

16. The University of Louisville (“UofL”) has a long and rich history in the Commonwealth of Kentucky. It was initially founded as the Jefferson Seminary in Louisville in 1798.² In 1846, it was incorporated by the Kentucky General Assembly. *See* Ky. Acts 1846, Chapter 137, p. 135.

17. In 1970, the University of Louisville became a “state institution” pursuant to KRS 164.810, which permitted it to receive the benefits of a state institution and maintained its nonstock, nonprofit corporate status pursuant to KY. CONST. § 190 and KRS Chapter 273. The University was required to amend its charter and articles of incorporation to conform to KRS 164.810 *et seq.*, which included vesting UofL’s governance with its board of trustees. (*See* Exhibit D, Articles of Amendment to Charter and Articles of Incorporation of the University of Louisville, A Body Politic and Corporate, filed with the Secretary of State, July 1, 1970); 164.810(3); KRS 164821(1). Its most recent by-laws were approved by the UofL Board of Trustees on November 13, 2008. (*See* Exhibit E, By-Laws of the Board of Trustees, University of Louisville, November 13, 2008).

² *See* University of Louisville A Brief History webpage (<http://louisville.edu/about/history>) (last visited July 4, 2016).

18. In 2015, the University enrolled 22,367 total students in both undergraduate and graduate programs. This includes one of three Kentucky law schools and one of three Kentucky medical schools. The University had a total operating budget of \$1.2 billion in 2015.³

19. As noted above, UofL is not just a state institution. It also operates as a nonstock, nonprofit corporation subject to the provisions of KRS 273.161 *et seq.* (See Charter, Exhibit D, Article III, Section 8, p. 12). Throughout the years, UofL and the UofL Board have taken various actions consistent with this nonstock, nonprofit status including making the necessary filings with the Secretary of State pursuant to KRS Chapter 273. UofL's most recent annual report was filed with the Secretary of State on March 8, 2016 and named members of the duly appointed and statutory UofL Board as its officers. (See Exhibit F, University of Louisville Annual Report, March 8, 2016).

20. Pursuant to KRS 164.821, the UofL Board is the governing body of the University of Louisville. KRS 164.830 provides the UofL Board with powers independent of the Governor and states:

The board of trustees of the University of Louisville shall constitute a body corporate, with the usual corporate powers, and shall possess all the authorities, immunities, rights, privileges, and franchises usually attaching to the governing bodies of Kentucky public higher educational institutions.

21. These powers include, but are not limited to, the appointment and removal of a president, faculty, and other personnel, KRS 164.830(1)(a)-(b); granting degrees, KRS 164.830(1)(f); and setting and evaluating the University's strategic agenda, KRS 164.830(g).

22. In addition, the UofL Board is responsible for and controls the University's finances pursuant to KRS 164A.555 *et seq.*

³ See University of Louisville Profile webpage (<http://louisville.edu/about/profile>) (last visited July 4, 2016).

23. The University of Louisville was initially accredited by the Southern Association of Colleges and Schools (“SACS”) in 1915. Such accreditation is critical to receiving and administering federal funds and awarding associate, bachelor, master, specialist, doctoral and first-professional degrees. UofL last received its accreditation certification in October 2010. (*See* Exhibit G, SACS accreditation certificate letter to President James R. Ramsey, October 27, 2010). Upon information and belief, it is currently in the reaccreditation process, with its next accreditation review in 2017. *See* Exhibit G.

24. SACS accreditation requires that universities meet “Comprehensive Standards.” Several of these standards relate to governing boards. One mandatory standard, Standard 3.2.4, requires that “the governing board is free from undue influence from political, religious, or other external bodies and protects the institution from such influence.” (*See* Exhibit H, SOUTHERN ASSOCIATION OF COLLEGES AND SCHOOLS, “Principles of Accreditation” (5th Ed. 2011), p. 26 (Available at: <http://www.sacscoc.org/pdf/2012PrinciplesOfAcreditation.pdf>).⁴

25. A second “Comprehensive Standard,” Standard 3.2.5, requires that “the governing board has a policy whereby members can be dismissed only for appropriate reasons and by a fair process.” *See* Exhibit H, p. 26).

26. Public universities in Kentucky routinely meet these standards by citing the specific checks and balances in the Kentucky Revised Statutes that are meant to protect university boards from undue political influence, which limit trustee removal, and provide due process for any attempted removal.

⁴ *See also* SOUTHERN ASSOCIATION OF COLLEGES AND SCHOOLS, “Resource Manual for the Principles of Accreditation” (2nd Ed. 2012), p. 40-41 (Available at: <http://www.sacscoc.org/pdf/Resource%20Manual.pdf>)(last visited July 4, 2016).

27. The Kentucky Revised Statutes related to the UofL Board first provide for specific number of trustees that include faculty and student representation. KRS 164.821(1) specifically mandates:

The government of the University of Louisville is vested in a board of trustees appointed for a term set by law pursuant to Section 23 of the Constitution of Kentucky. The board **shall consist of seventeen (17) members appointed by the Governor**; one (1) member of the teaching faculty of the University of Louisville who shall be the chief executive of the ranking unit of faculty government; a member of the permanent staff of the University of Louisville who shall be the chief executive of the staff senate; and a student member who shall be the president of the student body during the appropriate academic year.

(Emphasis added.)

28. The law then provides that the Trustees appointed by the governor “shall serve a term of six (6) years....” KRS 164.821(4). The General Assembly created the six year term in 1990 to specifically limit the power of the Governor so that he/she could not appoint all trustees at one time or in one term.

29. Having protected appointments from undue political influence, the law next protects Trustees from removal, making it only for cause and only after their right to due process:

“Board members may be removed by the Governor for cause, which shall include neglect of duty or malfeasance in office, **after being afforded a hearing with counsel before the Council on Postsecondary Education and a finding of fact by the council.**”

KRS 164.821(1)(b) (emphasis added).

30. This requirement is repeated in a separate statute related to all university boards:

Members of the board of trustees of the University of Kentucky, the board of trustees **of the University of Louisville**, members of the board of regents respectively of Eastern Kentucky University, Western Kentucky University, Morehead State University, Kentucky State University, Northern Kentucky University, Murray State University, and the Kentucky Community and Technical College System, and members of the Kentucky Board of Education and the Council on Postsecondary Education **shall not be removed except for cause.**

KRS 63.080(2)(emphasis added).

31. Knowing these laws are critical to its accreditation and operation, UofL's by-laws also require the membership and terms of the UofL Board to comply with the Kentucky Revised Statutes. The by-laws mandate:

The government of the University shall be vested in a Board of Trustees, which shall consist of such number of persons having such voting rights, serving such terms and appointed by such means as provided in the Kentucky Revised Statutes.

(Exhibit E, Article 2, Section 2.1, p. 1).

32. But Kentucky law does not stop there, and contains additional protections. For instance, when a vacancy on a University board does occur, either by the ending of a term, resignation, appropriate removal, or death, the Governor must follow procedures outlined in KRS 164.005 through the Governor's Postsecondary Nominating Committee to fill the vacancy.

33. This Nominating Committee was established by the General Assembly in 1992 to further prohibit gubernatorial interference with the university governing boards. KRS 164.005(7) requires the Nominating Committee to "consider the needs of the respective institutions, locate potential appointees, review candidates' qualifications and references, conduct interviews, and carry out other search and screening activities as necessary."

B. The Illegal Abolishment of the UofL Board and Creation of the Illegal Board – Executive Order 2016-338

34. On June 17, 2016, the Governor issued executive order 2016-338 (Exhibit A, the "UofL Reorganization Order"), citing KY. CONST. §§ 69 and 81 and KRS 12.028 as his authority.

35. In the UofL Reorganization Order, the Governor abolished the UofL Board of Trustees and ended the terms of all its members. The order states:

The University of Louisville Board of Trustees as established by KRS 164.821 is abolished. The terms of the members appointed by the Governor serving on the University of Louisville Board of Trustees as it existed prior to the filing of this Order shall expire immediately upon the filing of this Order.

(Exhibit A, at p. 3.)

36. Based on the order, no trustee was given “cause” for his or her removal. No trustee received any hearing before the Commission on Postsecondary Education or any other body.

37. The Governor then “recreated” an Illegal Board to oversee UofL and deemed that the new membership shall consist of:

A. Ten (10) members appointed by the Governor, at least one (1) of whom shall be a graduate of the University, selected from nominees submitted to the Governor by the Postsecondary Education Nominating Committee in accordance with KRS 164.005.

B. One (1) member of the teaching faculty of the University of Louisville, who shall be the chief executive of the ranking unit of faculty government, who shall serve a one (1) year term.

C. One (1) member of the permanent staff of the University of Louisville, who shall be the chief executive of the staff senate who shall serve a one (1) year term.

D. One (1) student member who shall be the president of the student body during the relevant academic year who shall serve a one (1) year term. The student member shall begin service as a Board member beginning with the first meeting of the academic year for which she or he was selected as student body president.

E. The persons referenced in Subsections B., C., and D. of this Section shall not begin their service as members of the Board until the ten (10) members appointed under Subsection A. of this Section have begun their service as members.

(Exhibit A, at p. 3-4).

38. While this action violates numerous laws and has numerous consequences for UofL as discussed herein, there is nothing accomplished by this abolishment and dissolution other than the wholesale removal of the duly appointed Trustees in the middle of their statutory terms.

39. The UofL Reorganization Order therefore suspends, ignores, and effectively rewrites KRS 164.821.

40. The membership of the recreated Board of Trustees is in direct conflict with and in violation of KRS 164.821, in which the General Assembly determined that UofL shall be governed by a twenty member board.

41. The action also violates KRS 164.821(1)(b) by removing trustees without cause and without any hearing.

42. The action finally violates UofL's by-laws because the membership of the Illegal Board is no longer in conformity with the Kentucky Revised Statutes as required under by-laws Section 2.1.

43. The Governor's directive usurps, invades, and erodes the authority of the legislative branch, a co-equal branch of state government, which has the authority to make law determining the governance of UofL and set the terms and authority of the UofL Board and its Trustees.

44. Upon information and belief, the Governor's illegal actions have even imperiled UofL's accreditation. The UofL Board Trustees, who were removed by a politician's executive order, were not provided fair process as outlined in SACS Comprehensive Standard 3.2.5. Moreover, the UofL Board is not free from political influence if the Governor has "absolute authority" to remove its members by Executive Order. This causes UofL to be in violation of SACS Comprehensive Standard 3.2.4.

C. The Illegal Formation of a Temporary Board to Oversee UofL – Executive Order 2016-339

45. Additionally, on June 17, 2016, the Governor issued executive order 2016-339 (Exhibit B, the “UofL Interim Board Order”), citing KY. CONST. §§ 69 and 81 and KRS 12.028 and 63.190.

46. In the UofL Interim Board Order, the Governor, by executive fiat and with no advice and consent of any body, created a three-person Interim Board to govern UofL and named its members. (Exhibit B, at 1.)

47. KRS 164.821 does not provide for an interim board of any kind.

48. The make-up of the Interim Board is in direct conflict with and in violation of KRS 164.821, in which the General Assembly determined that UofL shall be governed by a twenty member board.

49. Moreover, the Governor did not follow the procedure outlined in KRS 164.005 to appoint these temporary members to this temporary board.

50. Moreover, in his executive order, the Governor appointed all “new” members at the same time, violating the precise reasons KRS 164.821(4) provided six-year terms..

51. As such, the UofL Interim Board Order suspended the operation of KRS 164.821.

D. The Appointment of Members to the Illegal Board – Executive Order 2016-391

52. The Governor issued Executive Order 2016-391 on June 29, 2016, appointing ten (10) members to the Governor’s newly created and Illegal board to oversee the University of Louisville’s operations (“Illegal Board”) from a list of thirty (30) nominees provided to him by the Governor’s Postsecondary Education Nominating Committee on June 28, 2016, after a closed-door meeting. (Exhibit C, Executive Order 2016-391, “UofL Board Appointment Order.”)

53. The UofL Reorganization Order, the UofL Interim Board Order, and the UofL Appointment Order all violate the process for nominating Trustees as outlined in KRS 164.005(5)(a), which requires the Governor to choose Trustees from three names provided to him by the Postsecondary Education Nominating Committee for each vacant position.

54. The UofL Appointment Order appoints members to a board which legally does not exist and is illegal. Additionally, there were not ten (10) vacancies on the duly constituted statutory UofL Board at the time of Executive Order 2016-391.

55. Moreover, in his executive order, the Governor appointed all “new” members at the same time, violating the precise reasons KRS 164.821(4) provided six-year terms. This executive order is illegal and void.

CLAIMS

Count I Violations of KY. CONST. § 15

56. Plaintiffs incorporate by reference each and every allegation previously set forth in this Complaint as if fully set forth herein.

57. KY Const. §15, entitled, “Laws to be suspended only by General Assembly,” states, “No power to suspend laws shall be exercised unless by the General Assembly or its authority.”

58. KRS 164.821 establishes that the UofL Board shall have seventeen (17) members appointed by the Governor.

59. KRS 164.821(1)(b) provides “Board members may be removed by the Governor for cause, which shall include neglect of duty or malfeasance in office, after being afforded a hearing with counsel before the Council on Postsecondary Education and a finding of fact by the council.”

60. KRS 63.080(2) establishes that members of the University of Louisville Board of Trustees “shall not be removed except for cause.”

61. In addition, KRS 164.821 outlines other provisions for the operation of the University which were suspended by the Governor.

62. Executive Orders 2016-338, 2016-339, and 2016-391 suspend KRS 164.821 and KRS 63.080.

63. By suspending statutes without the authority of the General Assembly, Governor Bevin has violated Section 15 of the Kentucky Constitution.

Count II
Violations of Separation of Powers
KY. CONST. §§ 27, 28, 29

64. Plaintiffs incorporate by reference each and every allegation previously set forth in this Complaint as if fully set forth herein.

65. KY. CONST. §27 states:

The powers of the government of the Commonwealth of Kentucky shall be divided into three distinct departments, and each of them be confined to a separate body of magistracy, to wit: Those which are legislative, to one; those which are executive, to another; and those which are judicial, to another.

66. KY. CONST. §28 states:

No person or collection of persons being of one of those departments, shall exercise any power properly belonging to either of the others, except in the instances hereinafter expressly directed or permitted.

67. KY. CONST. §29 states:

The Legislative power shall be vested in a House of Representatives and a Senate, which, together, shall be styled the General Assembly of the Commonwealth of Kentucky.

68. KY. CONST. § 23 states:

The General Assembly shall not grant any title of nobility or hereditary distinction, nor create any office the appointment of which shall be for a longer time than a term of years.

69. By enacting KRS 164.821, the General Assembly statutorily established that the UofL Board shall have seventeen members appointed by the Governor.

70. In KRS 164.821, the General Assembly further exercised its constitutional authority and provided for a term of six (6) years for the trustees of the UofL Board – a term of years pursuant to KY. CONST. § 23.

71. KRS 164.821(1)(b) provides “Board members may be removed by the Governor for cause, which shall include neglect of duty or malfeasance in office, after being afforded a hearing with counsel before the Council on Postsecondary Education and a finding of fact by the council.”

72. By enacting KRS 63.080(2), the General Assembly statutorily established that members of the UofL Board “shall not be removed except for cause.”

73. By issuing Executive Orders 2016-338, 016-339, and 2016-391 which violate KRS 164.821 and KRS 63.080, Governor Bevin has violated Sections 27, 28 and 29 of the Kentucky Constitution by invading the province of the General Assembly’s legislative power.

Count III Violations of KY. CONST. § 81

74. Plaintiffs incorporate by reference each and every allegation previously set forth in this Complaint as if fully set forth herein.

75. KY. CONST. §81, entitled, “Governor to enforce the laws,” states, “He shall take care that the laws be faithfully executed.”

76. Governor Bevin and his representatives are required to faithfully execute the Kentucky Constitution and Revised Statutes, including all provisions of KRS 63.080, and KRS 164.821.

77. KRS 164.821 establishes that the UofL Board shall have seventeen (17) members appointed by the Governor.

78. KRS 164.821(1)(b) provides “Board members may be removed by the Governor for cause, which shall include neglect of duty or malfeasance in office, after being afforded a hearing with counsel before the Council on Postsecondary Education and a finding of fact by the council.”

79. KRS 63.080(2) establishes that members of the UofL Board “shall not be removed except for cause.”

80. Executive Orders 2016-338, 2016-339, and 2016-391 violate the plain language of KRS 164.821 and KRS 63.080.

81. By violating the provisions of the Kentucky Constitution, KRS 63.080, and KRS 164.821 as set forth above, Governor Bevin has violated Section 81 of the Kentucky Constitution.

**Count IV
Violations of KRS Chapter 63**

82. Plaintiff incorporates by reference each and every allegation previously set forth in this Complaint as if fully set forth herein.

83. KRS 63.080(2) establishes that members of the UofL Board “shall not be removed except for cause.”

84. By issuing Executive Orders 2016-338 and 2016-391, the Governor has violated the plain language of KRS 63.080.

**Count V
Violations of KRS Chapter 164**

85. Plaintiff incorporates by reference each and every allegation previously set forth in this Complaint as if fully set forth herein.

86. KRS 164.821 establishes that the UofL Board shall have seventeen members appointed by the Governor.

87. KRS 164.821(1)(b) provides “Board members may be removed by the Governor for cause, which shall include neglect of duty or malfeasance in office, after being afforded a hearing with counsel before the Council on Postsecondary Education and a finding of fact by the council.”

88. By issuing Executive Orders 2016-338, 2016-339, and 2016-391 Governor Bevin has repeatedly violated KRS 164.821 and KRS 164.005 as set forth above.

Count VI Violations of KRS Chapter 12

89. Plaintiffs incorporate by reference each and every allegation previously set forth in this Complaint as if fully set forth herein.

90. KRS 12.028(2) provides Governor Bevin that he “may propose to the General Assembly, for its approval, changes in the state government organizational structure which may include the creation, alteration or abolition of any organizational unit or administrative body and the transfer of functions, personnel, funds, equipment, facilities, and records from one (1) organizational unit or administrative body to another.”

91. KRS 12.028(2) provides that the Governor may effect a temporary reorganization “to achieve greater economy, efficiency, and improved administration as the needs of government dictate.”

92. KRS 12.028(2) provides Governor Bevin the power to temporarily reorganize organizational and administrative bodies “between sessions of the General Assembly,

temporarily effect a change in the state government organizational structure as described in subsection (1) of this section if such temporary reorganization plan is first reviewed by the interim joint legislative committee with appropriate jurisdiction.”

93. Executive Orders 2016-338, 2016-339, and 2016-391 do not achieve greater economy, efficiency, and improved administration.

94. Governor Bevin exceeded the statutory authority under KRS 12.028 by issuing Executive Orders 2016-338, 2016-339, and 2016-391.

Count VII
Violations of KY. CONST. § 190 and KRS Chapter 273

95. Plaintiffs incorporate by reference each and every allegation previously set forth in this Complaint as if fully set forth herein.

96. KY. CONST. § 190 states:

Except as otherwise provided by the Constitution of Kentucky, the General Assembly shall, by general laws only, provide for the formation, organization, and regulation of corporations. Except as otherwise provided by the Constitution of Kentucky, the General Assembly shall also, by general laws only, prescribe the powers, rights, duties, and liabilities of corporations and the powers, rights, duties, and liabilities of their officers and stockholders or members.

97. UofL is a nonstock, nonprofit corporation and pursuant to KRS 273.171 possesses certain powers including “[t]o have and exercise all powers necessary or convenient to effect any or all of the purposes for which the corporation is organized.”

98. The UofL Board elects its own corporate officers each year pursuant to its by-laws, Section 2.2 (*See* Exhibit E, Article 2, Section 2.2).

99. Only the UofL Board can remove its corporate officers. KRS 273.231.

100. A nonstock, nonprofit corporation may only be involuntarily dissolved by a decree of the Circuit Court under set criteria found in KRS 273.320.

101. By issuing Executive Orders 2016-338, 2016-339, and 2016-391, the Governor has illegally removed the statutory UofL Board’s corporate officers, which are elected pursuant to its by-laws and operate pursuant to KRS Chapter 273. He has also exceeded his authority by creating a new Illegal Board to govern the affairs of the University.

102. In the alternative, by issuing Executive Orders 2016-338, 2016-339, and 2016-391, the Governor has attempted to illegally and involuntarily dissolve the statutory UofL Board, which was created by the General Assembly and has powers under KRS Chapter 273. He has also exceeded his authority by creating a new Illegal Board to govern the affairs of the University.

**Count VIII
Declaratory Judgment**

103. Plaintiffs incorporate by reference each and every allegation previously set forth in this Complaint as if fully set forth herein.

104. An actual justiciable controversy exists among the parties as to whether:

A. Governor Bevin has violated KY. CONST. §§15, 23, 27-29, 81, and 190, and KRS 63.080, 164.821, 164.005 and KRS Chapter 273 in enacting Executive Orders 2016-338, 2016-339, and 2016-391;

B. Executive Orders 2016-338, 2016-339, and 2016-391 are null and void because they violate the Kentucky Constitution and/or the Kentucky Revised Statutes;

105. Plaintiff is entitled to a declaratory judgment that:

A. Governor Bevin has violated KY Const. §§15, 23 27-29, 81, and 190, and KRS 63.080, 164.821, 164.005, and KRS Chapter 273 in enacting Executive Orders 2016-338, 2016-339, and 2016-391;

B. Executive Orders 2016-338, 2016-339, and 2016-391 are null and void because they violate the Kentucky Constitution and/or the Kentucky Revised Statutes;

**Count IX
Injunctive Relief**

106. Plaintiff incorporates by reference each and every allegation previously set forth in this Complaint as if fully set forth herein.

107. As described above, Plaintiff is entitled to further relief in the form of injunctive relief, both temporary and permanent, restraining and enjoining the defendants, and all their agents, attorneys and any other persons in active concert or participation with them, from attempting to prevent or interfere with the official business of the duly appointed Trustees of the University of Louisville.

108. By reason of the actions and violations described above, the Commonwealth has suffered immediate and irreparable injury and will continue to so suffer unless Defendants are immediately restrained and permanently enjoined from such activity by Order of this Court.

109. Plaintiff has no adequate remedy at law or otherwise to address this injury, save in a court of equity.

110. No previous application for a Restraining Order or an Injunction has been refused by any court.

111. Plaintiffs are entitled to further relief as may be shown by the evidence and legal authority that may be presented in this proceeding. Plaintiffs reserve their right to amend this Complaint, as necessary, to request any further relief that he is entitled to seek.

WHEREFORE, Plaintiffs demand judgment against Defendants as set forth in their Prayer for Relief below.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs demand as follows:

I. That this Court issue a declaration and order that:

A. Governor Bevin has violated KY. CONST. §§15, 23, 27-29, 81, and 190, and KRS 63.080, 164.821, 164.005 and KRS Chapter 273 in enacting Executive Orders 2016-338, 2016-339, and 2016-391 and by attempting to enforce any and all of those Orders; and

B. Executive Orders 2016-338, 2016-339, and 2016-391 are null and void because they violate the Kentucky Constitution and/or the Kentucky Revised Statutes; and

II. That a restraining order, temporary injunction and a permanent injunction be issued by this Court restraining and enjoining the Defendants, and all their agents, attorneys, representatives, and any other persons in active concert or participation with them, from attempting to prevent or interfere with the official business of the duly appointed Trustees of the University of Louisville; and

III. Plaintiff be awarded any and all other relief to which they may appear entitled, including their attorneys' fees and costs.

DATE: July 5, 2016.

Respectfully Submitted,

COMMONWEALTH OF KENTUCKY
OFFICE OF THE ATTORNEY GENERAL

ANDY BESHEAR
ATTORNEY GENERAL

By: /s/ Mitchel T. Denham
Mitchel T Denham
Assistant Deputy Attorney General
La Tasha Buckner, Executive Director

Office of Civil and Environmental Law
S. Travis Mayo
Joseph A. Newberg, II
Assistant Attorneys General
Office of the Attorney General
700 Capitol Avenue
Capitol Building, Suite 118
Frankfort, Kentucky 40601-3449
(502) 696-5300
(502) 564-8310 FAX

Counsel for Intervening Plaintiff,
Commonwealth of Kentucky



MATTHEW G. BEVIN
GOVERNOR

EXECUTIVE ORDER

RECEIVED AND FILED
DATE June 17, 2016
10:26 am

Secretary of State
Frankfort
Kentucky

2016-338
June 17, 2016

ALISON LUNDERGAN GRIMES
SECRETARY OF STATE
COMMONWEALTH OF KENTUCKY
BY K. Allen

RELATING TO THE REORGANIZATION OF THE
UNIVERSITY OF LOUISVILLE BOARD OF TRUSTEES

WHEREAS, the Commonwealth of Kentucky should promote the effective and efficient management of state government operations; and

WHEREAS, it is the responsibility of state government to provide the citizens of the Commonwealth with an economical and efficient governmental structure that can be administered in a consistent, ethical, transparent and coordinated manner; and

WHEREAS, pursuant to KRS 164.821, the University of Louisville is currently governed and administered by a Board of Trustees consisting of twenty (20) members, including seventeen (17) members appointed by the Governor; one (1) member of the teaching faculty of the University of Louisville who is the chief executive of the ranking unit of faculty government; one (1) member of the permanent staff of the University of Louisville who is the chief executive of the staff senate; and one (1) student member who is the president of the student body during the relevant academic year; and

WHEREAS, the University of Louisville Board of Trustees is responsible for providing governance and oversight for the University's administration and is accountable for the health, reputation and integrity of the University community in all aspects; and

WHEREAS, the University of Louisville Board of Trustees has legal fiduciary responsibility, which includes a duty of loyalty, a duty of care, and a duty of obedience, so as to advance the best interests of the institution in all aspects of its operation, so as to set a positive example for the faculty, staff and students and so as to inspire confidence throughout the University community, the citizens of the Commonwealth and the general public at large; and



MATTHEW G. BEVIN
GOVERNOR

EXECUTIVE ORDER

Secretary of State
Frankfort
Kentucky

2016-338
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WHEREAS, the University of Louisville has recently been involved in several high-profile incidents that have cast the institution in a negative light; and

WHEREAS, it is apparent that the administration of the University of Louisville and the members of its Board of Trustees have become operationally dysfunctional; and

WHEREAS, it is apparent that the University of Louisville Board of Trustees is irreparably fractured and broken and that a strained relationship exists between certain trustees and the University administration, which is seriously damaging the entire University community in many ways, including making it more difficult to raise funds through philanthropy and to attract good and high quality students and both academic and administrative staff, and reflects negatively upon the Commonwealth as a whole; and

WHEREAS, the University's Board of Trustees has acted in a manner that manifests a lack of transparency and professionalism; and

WHEREAS, the reputation of the University of Louisville as an academic institution is at risk, and I, as Governor, cannot forbear any longer in preventing that from occurring; and

WHEREAS, pursuant to KRS 164.321, the Boards of Regents of Eastern Kentucky University, Morehead State University, Murray State University, Western Kentucky University, Kentucky State University and Northern Kentucky University are comprised of eleven (11) members, eight (8) of whom are appointed by the Governor, one (1) of whom is a member of the teaching faculty, one (1) of whom is a member of nonteaching personnel, and one (1) of whom is a member of the student body; and

WHEREAS, I believe that a more streamlined Board of Trustees with a smaller number of members can more efficiently and economically oversee, govern and manage the affairs of the University of Louisville and improve its administration; and



MATTHEW G. BEVIN
GOVERNOR

EXECUTIVE ORDER

Secretary of State
Frankfort
Kentucky

2016-338
June 17, 2016

WHEREAS, I have determined that the University of Louisville Board of Trustees, as established by the provisions of KRS 164.821, should be abolished, altered, recreated, and restructured with a new, smaller and more efficient governing membership and a more focused vision and purpose designed to carry out the statutory mandates established for the institution, as well as the obligations and commitments it has to the citizens of the Commonwealth, and, therefore, that reorganization efforts should be taken immediately in order to achieve greater economy, efficiency, transparency and improved oversight and administration of the University of Louisville:

NOW, THEREFORE, I, Matthew G. Bevin, Governor of the Commonwealth of Kentucky, under the authority vested in me by the Kentucky Constitution, Sections 69 and 81, KRS 12.028, and otherwise, do hereby Order and Direct the following:

- I. The University of Louisville Board of Trustees as established by KRS 164.821 is abolished. The terms of the members appointed by the Governor serving on the University of Louisville Board of Trustees as it existed prior to the filing of this Order shall expire immediately upon the filing of this Order.
- II. The University of Louisville Board of Trustees ("Board") is hereby recreated, established, and charged with the responsibility of securing, governing, managing, overseeing and being responsible for all aspects of the University of Louisville in a fiduciary capacity in accordance with the laws of the Commonwealth.
- III. The Board shall consist of the following:
 - A. Ten (10) members appointed by the Governor, at least one (1) of whom shall be a graduate of the University, selected from nominees submitted to the Governor by the Postsecondary Education Nominating Committee in accordance with KRS 164.005.
 - B. One (1) member of the teaching faculty of the University of Louisville, who shall be the chief executive of the ranking unit of faculty government, who shall serve a one (1) year term.
 - C. One (1) member of the permanent staff of the University of Louisville, who shall be the chief executive of the staff senate who shall serve a one (1) year term.



MATTHEW G. BEVIN
GOVERNOR

EXECUTIVE ORDER

Secretary of State
Frankfort
Kentucky

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June 17, 2016

- D. One (1) student member who shall be the president of the student body during the relevant academic year who shall serve a one (1) year term. The student member shall begin service as a Board member beginning with the first meeting of the academic year for which she or he was selected as student body president.
- E. The persons referenced in Subsections B., C., and D. of this Section shall not begin their service as members of the Board until the ten (10) members appointed under Subsection A. of this Section have begun their service as members.
- IV. The members serving by virtue of their positions as set forth in Section III., Subsections B., C., and D., shall serve as members of the Board only so long as they continue to serve in their respective leadership positions within the University.
- V. The Governor shall make his other appointments so as to divide the citizen representation upon the board to reflect proportional representation of the two (2) leading political parties in the Commonwealth based on the state's voter registration and shall reflect no less than proportional representation of the minority racial composition of the Commonwealth, using the most recent data from the United States Census Bureau. Where that calculation results in a number exceeding a round number, it shall be increased to the next highest round number.
- VI. The members of the Board appointed by the Governor shall serve for a term of six (6) years, except that of the members first appointed, one (1) shall serve for a term of six (6) years, one (1) shall serve for a term of (5) years, two (2) shall serve for a term of four (4) years, two (2) shall serve for a term of three (3) years, two (2) shall serve for a term of two (2) years, and two (2) shall serve for a one (1) year term. Board members shall serve no more than two (2) consecutive terms. Any member appointed to fill a vacancy occurring for any reason other than by expiration of a term shall be appointed for the remainder of the unexpired term. A majority of the voting members of the Board shall constitute a quorum for the transaction of business. Members shall receive no compensation for serving on the Board, but shall be reimbursed for travel expenses for attending meetings and performing other official functions, consistent with the reimbursement policy for state employees. Board members who reside outside the Commonwealth shall not be reimbursed for out-of-state travel expenses.
- VII. The Governor's Postsecondary Education Nominating Committee is hereby directed to meet as soon as practicable and submit thirty (30) nominees for Board membership to the Governor pursuant to KRS 164.005, no later than fourteen (14) days from the date hereof.
- VIII. The members of the Board appointed by the Governor shall annually elect one (1) of their number to serve as Chairperson of the Board and one (1) of their



MATTHEW G. BEVIN
GOVERNOR

EXECUTIVE ORDER

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June 17, 2016

number to serve as Vice Chairperson to act in the absence or temporary disability of the Chairperson.

- IX. Except as may be otherwise set forth herein, the Board shall have all corporate and other powers vested in the University of Louisville Board of Trustees as it existed prior to the filing of this Order.
- X. Except as otherwise provided herein, the Board shall have exclusive control and direction over all duties, functions and responsibilities previously exercised by the University of Louisville Board of Trustees as it existed prior to the filing of this Order. All powers, authority, functions, and responsibilities vested in the University of Louisville Board of Trustees as it existed prior to the filing of this Order are hereby transferred to the newly created Board, which shall utilize that authority, function, and responsibility to carry out the functions of the Board. All duties, functions, responsibilities, records, policies, procedures, rules, regulations, equipment, staff and supporting budget of the University of Louisville Board of Trustees as it existed prior to the filing of this Order, and all functions, rights, powers, duties, and obligations set forth by law are hereby transferred to the Board created by this Order.
- XI. The Board shall assure continuance of all legal and contractual rights, functions, duties, and liabilities, including, but not limited to, those associated with outstanding bonds, in accordance with KRS 164.0057.
- XII. Members of the Board shall be required to attend and complete such orientation program as may be prescribed by the Council on Postsecondary Education under KRS 164.020, or otherwise, as a condition of their service.
- XIII. Board members may be removed by the Governor for cause, which shall include neglect of duty or malfeasance in office, after being afforded a hearing, with right to counsel, before the Council on Postsecondary Education and a finding of fact by said Council.
- XIV. If the student member of the Board does not maintain his or her position as student body president or his or her status as a full-time student at any time during that academic year, a special election shall be held to select a full-time student member. The student member selected as a replacement shall serve for the remainder of the term for which her or his predecessor was selected.
- XV. The faculty member, staff member, and student body member of the Board shall cease to be eligible for membership on the Board upon termination of their respective relationships with the University or if they cease to serve in the leadership positions set forth in Section III, and vacancies occurring for this reason shall be filled for the remainder of the respective terms in the same manner.



MATTHEW G. BEVIN
GOVERNOR

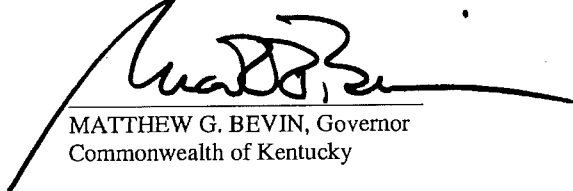
EXECUTIVE ORDER

Secretary of State
Frankfort
Kentucky

2016-338
June 17, 2016

- XVI. Vacancies among the citizen members of the Board appointed by the Governor occurring by death, resignation, or any other cause shall be filled by appointments made by the Governor for the expiration of the term, subject to the qualifications set forth in this Order and otherwise by law.
- XVII. The Finance and Administration Cabinet, the Personnel Cabinet, the Governor's Office of Policy and Management, and all other state agencies necessary to effectuate this Order, shall take all necessary action to do so.
- XVIII. This Executive Order is effective immediately.


ALISON LUNDERGAN GRIMES
Secretary of State


MATTHEW G. BEVIN, Governor
Commonwealth of Kentucky



MATTHEW G. BEVIN
GOVERNOR

EXECUTIVE ORDER

Secretary of State
Frankfort
Kentucky

2016-338
June 17, 2016

REORGANIZATION PLAN

It is the policy of this Administration to provide the citizens of this Commonwealth with an economical and efficient governmental structure, as well as regulatory practices that are administered in a consistent, ethical and coordinated manner. Therefore, pursuant to the provisions of KRS 12.028, the Governor hereby implements the following Executive Order which temporarily reorganizes a state government board until subsequent ratification or non-ratification by the Kentucky General Assembly.

SUMMARY OF PLAN

This Executive Order abolishes and recreates the University of Louisville Board of Trustees with a new, smaller and more efficient governing membership and more focused vision and purpose designed to carry out the statutory mandates established for the University of Louisville, as well as the obligations and commitments it has to the people of Kentucky. It reduces the gubernatorial appointive membership from 17 to 10 members. It also eliminates the superfluous requirement for a gubernatorial appointment based on recommendations from the alumni association. The Executive Order recognizes the dysfunction that exists on the part of the Board and recognizes that a smaller membership is more streamlined and can more efficiently govern, oversee and manage the affairs of the institution. As a result, greater economy, efficiency, transparency and improved administration of the University and its affairs will be achieved.

The foregoing changes are needed in order to promote greater economy, efficiency and improved administration.

PERSONNEL IMPACT

Except for the reduction in the number of members on the recreated Board, this reorganization is for administrative purposes with no resulting personnel impact and will not result in any increased personnel or other expenditures to Kentucky State Government or the University.

FISCAL IMPACT

The budget and personnel expenditures for the newly created Board of Trustees will be less than those of the former Board. There will be tangible and intangible expense savings associated with this reorganization based upon expense savings due to the decreased number of trustees. No fiscal increases are anticipated.



MATTHEW G. BEVIN
GOVERNOR

EXECUTIVE ORDER

RECEIVED AND FILED
DATE June 17, 2016
10:28am

Secretary of State
Frankfort
Kentucky

2016-339
June 17, 2016

ALISON LUNDERGAN GRIMES
SECRETARY OF STATE
COMMONWEALTH OF KENTUCKY
BY R. Adler

RELATING TO THE TEMPORARY APPOINTMENT
OF INTERIM MEMBERS OF THE UNIVERSITY OF
LOUISVILLE BOARD OF TRUSTEES

WHEREAS, by Executive Order 2016-338, the Board of Trustees of the University of Louisville Board was abolished and then re-created; and

WHEREAS, under said Executive Order the Governor's Postsecondary Education Nominating Committee was directed to meet as soon as practicable and submit within fourteen (14) days from the date of said Executive Order thirty (30) nominees for the ten (10) gubernatorial appointments to the Board, pursuant to KRS 164.005; and

WHEREAS, in the interim period the Board will be without members; and

WHEREAS, it would be preferable and would promote greater economy, efficiency and improved administration for the Board to have interim members who can temporarily govern the University, if and as needed, until appointments can be made pursuant to Executive Order 2016-338;

NOW, THEREFORE, I, Matthew G. Bevin, Governor of the Commonwealth of Kentucky, under the authority vested in my by Sections 69 and 81 of the Kentucky Constitution, and KRS 12.028, KRS 63.190, and otherwise, do hereby Order and Direct the following:

- I. An interim Board of Trustees ("Interim Board") is hereby created to govern the University of Louisville until such time as permanent appointments are made to the Board of Trustees pursuant to Section III of Executive Order 2016-338; and
- II. The Interim Board shall consist of three (3) members, having such powers and responsibilities as given to the Board of Trustees by Executive Order 2016-338 and otherwise by law; and
- III. I hereby appoint the following as members of the Interim Board who shall choose one of their membership as Chairperson and one as Vice-Chairperson:



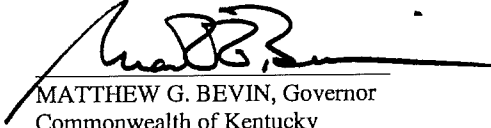
MATTHEW G. BEVIN
GOVERNOR

EXECUTIVE ORDER

Secretary of State
Frankfort
Kentucky

2016-339
June 17, 2016

- A. Bonita Kay Black, Louisville, Kentucky
 - B. Ulysses Lee Bridgeman, Jr., Louisville, Kentucky
 - C. Ron Wright, M.D., Louisville, Kentucky
 - IV. The Finance and Administration Cabinet, the Personnel Cabinet, the Governor's Office of Policy and Management, and all other state agencies necessary to effectuate this Order, shall take all necessary action to do so.
 - V. This Order is effective immediately.
- Please issue commissions to them.


MATTHEW G. BEVIN, Governor
Commonwealth of Kentucky


ALISON LUNDERGAN GRIMES
Secretary of State



MATTHEW G. BEVIN
GOVERNOR

EXECUTIVE ORDER

Secretary of State
Frankfort
Kentucky

2016-339
June 17, 2016

REORGANIZATION PLAN

It is the policy of this Administration to provide the citizens of this Commonwealth with an economical and efficient governmental structure, as well as practices that are administered in a consistent, ethical and coordinated manner. Therefore, pursuant to the provisions of KRS 12.028, the Governor hereby implements this Executive Order, which appoints a temporary three (3) person Interim Board of Trustees for the University of Louisville, pending the appointment of ten (10) permanent Trustees pursuant to Executive Order 2016-338, until subsequent ratification or non-ratification by the Kentucky General Assembly.

SUMMARY OF PLAN

Executive Order 2016-338 abolished and recreated the University of Louisville Board of Trustees with a new, smaller and more efficient governing membership and more focused vision and purpose designed to carry out the statutory mandates established for the University of Louisville, as well as the obligations and commitments it has to the people of Kentucky. It reduced the gubernatorial appointive membership from 17 to 10 members. It also eliminated the superfluous requirement for a gubernatorial appointment based on recommendations from the alumni association. That Executive Order recognized the dysfunction that had existed on the part of the Board and that a smaller membership is more streamlined and can more efficiently govern, oversee and manage the affairs of the institution. However, as a result of Executive Order 2016-338, the Board will be without members until new permanent appointments can be made under its terms. This Executive Order provides for the appointment of three (3) temporary members of an Interim Board to govern and oversee the administration of the University during the short period of time until permanent trustees can be appointed. As a result, greater economy, efficiency, transparency and improved administration of the University and its affairs will be achieved. The foregoing change is needed in order to promote greater economy, efficiency and improved administration.

PERSONNEL IMPACT

This temporary reorganization is for short-term administrative purposes only with no resulting personnel impact and will not result in any increased personnel or other expenditures to Kentucky State Government or the University.

FISCAL IMPACT

Any budget and personnel expenditures for the newly created Interim Board of Trustees will be less than those of the former Board. There will be tangible and intangible expense savings associated with this reorganization based upon expense savings due to the decreased number of trustees. No fiscal increases are anticipated.



MATTHEW G. BEVIN
GOVERNOR

EXECUTIVE ORDER

Secretary of State
Frankfort
Kentucky

2016-391
June 29, 2016

By virtue of the authority vested in me by Sections 69 and 81 of the Kentucky Constitution, KRS 63.190 and Executive Orders 2016-338 and 2016-339, I, Matthew G. Bevin, Governor of the Commonwealth of Kentucky, do hereby appoint the following to serve as members of the University of Louisville Board of Trustees:

- A. For a term expiring June 29, 2022:
J. David Grissom, Louisville, Kentucky

- B. For a term expiring June 29, 2021:
John H. Schnatter, Louisville, Kentucky

- C. For a term expiring June 29, 2020:
Sandra Frazier, Louisville, Kentucky
Nitin Sahney, Prospect, Kentucky


- D. For a term expiring June 29, 2019:
Bonita K. Black, Crestwood, Kentucky
Doug Cobb, Prospect, Kentucky

- E. For a term expiring June 29, 2018:
Ulysses Lee Bridgeman, Jr., Louisville, Kentucky
Ronald L. Wright, MD, Prospect, Kentucky

- F. For a term expiring June 29, 2017:
Dale Boden, Louisville, Kentucky
Diane B. Medley, Ekron, Kentucky

Please issue Commissions to them.


ALISON LUNDERGAN GRIMES
Secretary of State


MATTHEW G. BEVIN, Governor
Commonwealth of Kentucky

4/23/70
5/14/70

ACK 175 PAGE 547

ARTICLES OF AMENDMENT
TO
CHARTER AND ARTICLES OF INCORPORATION
OF THE
UNIVERSITY OF LOUISVILLE,
A BODY POLITIC AND CORPORATE

Pursuant to the provisions of Chapter 137 of the Acts of the 1845-46 Laws of the Commonwealth of Kentucky, which Act was approved February 7, 1846, and became effective March 15, 1846, the University of Louisville was created as, was therein designated as, and now is, a body politic and corporate in law.

By appropriate action taken in the manner and form provided by law, its Board of Trustees and Officers Amended its Charter effective June 1, 1926, April 23, 1929, June 4, 1934, February 17, 1950, and July 16, 1957.

On June 1, 1926, by a Resolution unanimously adopted by its Board of Trustees at a meeting called and held on that date, the Corporation accepted the provisions of the present Constitution of Kentucky and, on June 1, 1926, filed that acceptance in the Office of the Secretary of State of Kentucky, as required by Section 190 of the Constitution of Kentucky and Section 570 of the Kentucky Statutes.

By reason of the foregoing events, actions, and procedures, University of Louisville became subject to the provisions, and eligible for the benefits, of Kentucky Revised Statutes, Sections 273.161 to 273.900, from and after June 13, 1968, the date upon which said last numbered Sections of Kentucky Revised Statutes became effective.

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The House of Representatives of the 1966 General Assembly of the Commonwealth of Kentucky, by Resolution, requested a study of the advisability and feasibility of placing the University of Louisville in the State system of public higher education and, thereafter, obtained a report recommending, among other things, that such action be taken, and, consistent therewith, the 1968 General Assembly of the Commonwealth of Kentucky adopted House Resolution 91 (Chapter 239) and, pursuant to the foregoing, directed the maintenance of the University of Louisville as a State institution no later than July 1, 1970.

The 1970 General Assembly of the Commonwealth of Kentucky adopted Senate Bill No. 117, on March 19, 1970; the Governor of the Commonwealth of Kentucky approved said Bill on the 30th day of March, 1970, and by its terms it will become effective July 1, 1970.

Senate Bill No. 117 provides that, consistent with the provisions of KRS 164.026 and Chapter 239 of the 1968 Kentucky Acts, University of Louisville shall be maintained as a State institution effective July 1, 1970, subject to its qualification to receive the benefits of such status in the manner set forth in Subsection (3), of Section 1, of Senate Bill No. 117, wherein it is provided that the University of Louisville "may qualify to receive the benefits of its status as a State institution, as provided in this Act, by action of its Board of Trustees in adopting and causing to be filed for public record such proceedings as are required by law, amending its charter or articles of incorporation in such manner as to conform to the provisions of this Act."

These Articles of Amendment to the Charter and Articles of Incorporation of the University of Louisville have been adopted, executed, and will be filed for public record for the purpose of such qualification.

Consistent with the provisions of Chapter 239 of the Acts of the 1968 General Assembly of the Commonwealth of Kentucky, and with the spirit and intent of House Resolution 43 of the 1966 General Assembly of the Commonwealth of Kentucky, and with Senate Bill No. 117 of the 1970 General Assembly of the Commonwealth of Kentucky, and pursuant to the provisions of Kentucky Revised Statutes, Sections 273.261, 273.263, and 273.267, said Corporation and the undersigned, Edwin G. Middleton and Mrs. Carroll L. Witten, who are respectively Chairman and Secretary of the Board of Trustees of said Corporation, and Woodrow M. Strickler who is President of said University, and by and through whom it acts, execute these Articles of Amendment to the Charter and Articles of Incorporation of University of Louisville, as heretofore amended.

Such action of said Chairman and Secretary is taken pursuant to a Resolution of said Board of Trustees, which it duly and regularly adopted at a meeting thereof, properly called and held on the 20th day of May, 1970, in Louisville, Kentucky, at the time and place, and for the purposes, set forth in a written Notice thereof, which was duly and regularly delivered to each member of said Board of Trustees by sending a copy thereof, on the 7th day of May, 1970, to each such person via United States Certified mail, postage prepaid, at each such person's last known address as shown on the books and records of the Secretary of said Corporation.

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ACT 175 PAGE 550

As provided by Kentucky Revised Statutes, Section 273.263 (2) the Resolution of said Board of Trustees approving these Articles of Amendment was duly and regularly adopted at said meeting by the affirmative vote of a majority of such Trustees in office at said date and has never been set aside, modified, or vacated, and is still in full force and effect.

ARTICLE I

The name of the Corporation is UNIVERSITY OF LOUISVILLE.

ARTICLE II

The Charter and Articles of Incorporation of the University of Louisville, as heretofore amended, are now amended in the following further particulars, and in no others. Any provision of the existing Charter and Articles of Incorporation of the University of Louisville in conflict with the provisions hereof are, to the extent of such conflict, repealed.

Section 1. The following portions of the Charter and Articles of Incorporation of the University of Louisville, as heretofore amended, are retained:

A. So much of the preamble and of Sec. 1 thereof as reads:

"AN ACT to establish the University of Louisville.

"Sect. 1. Be it enacted by the General Assembly of the Commonwealth of Kentucky. That an institution of learning shall be and the same is hereby established and incorporated in the city of Louisville, and that George W. Weissinger, Garnett Duncan, Samuel S. Nicholas, Wm. E. Glover, W. S. Vernon, Isaac Everett, James Marshall,

Henry Pirtle, James Guthrie, Chapman Coleman, William F. Bullock, shall be and they are hereby appointed Trustees of said University; and that they, and their successors in office, shall be a body politic and corporate, in law, under the name and style of the University of Louisville."

B. Secs. 4, 5, 6, 6-A and 7 thereof, as heretofore amended.

Section 2. The remainder of Sec. 1 of said Charter and Articles of Incorporation, as heretofore amended, and Secs. 2, 3, 8, 9 and 10 thereof are deleted.

ARTICLE III

Section 1. (1) As used herein, the following terms shall have, unless the context shall otherwise indicate, the following meanings:

(a) "University of Louisville" means the university which is situated in the City of Louisville, Kentucky, and which has heretofore constituted a municipal university within the meaning and application of KRS 165.020, et seq;

(b) "Council" means the Council of Public Higher Education in Kentucky.

(2) Consistent with the provisions of KRS 164.026; Chapter 239 of the 1968 Kentucky Acts, and Senate Bill No. 117 of the Acts of the 1970 General Assembly of Kentucky (S. B. 117), the University of Louisville shall be maintained as a State institution effective July 1, 1970.

Section 2. (1) The government of the University of Louisville is vested in a board of trustees consisting of (a) ten competent citizens of

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MAY 552

Kentucky appointed by the Governor; (b) one non-voting member of the teaching faculty of the University of Louisville who shall be the chief executive of the ranking unit of faculty government; and (c) a non-voting student member who shall be the president of the student body; however, if the student body president is not a legal resident of Kentucky, then a member of the student body of the University who is a legal resident of Kentucky shall be elected by the student body for a term of one year under rules prescribed by the board. The faculty member and student body member shall cease to be eligible for membership on the board of trustees upon termination of their respective relationships with the University, and vacancies occurring by reason of such termination shall be filled for the remainder of the respective terms in the same manner. (d) The ten citizen members of the board shall annually elect one of their number to serve as chairman of the board.

(2) To facilitate transition of the University of Louisville to full status as a State institution, terms of members of the board of trustees in office on July 1, 1970 shall be terminated as of that date or as of the date their successors are appointed and qualify, and their successors shall be appointed by the Governor according to the following schedule:

(a) Two for one year terms, one of which shall be from a list of three names submitted by the mayor of the city of the first class;

(b) Two for two year terms, one of which shall be an alumnus or alumna of the University, selected from a list of three names submitted by the alumni of the University in such manner and according to rules prescribed by the board of trustees;

(c) Three for three year terms, one of which shall be from a list of three names submitted by the mayor of the city of Louisville; and

(d) Three for four year terms, one of which shall be from a list of three names submitted by the county judge of Jefferson County, Kentucky, in which the city of the first class is located.

(3) At the expiration of the respective terms of the citizen members of the board of trustees as prescribed in Subsection (2) of this Section, successors shall be appointed by the Governor for terms of four years each, and in making such appointments the Governor shall observe the requirements relating to nominations by said mayor, said county judge, and said alumni members. Subject to such requirements, the Governor shall make his appointments from the State at large so as to divide the representation upon the board as nearly equally as possible between the two leading political parties in this State.

(4) Whenever, in the judgment of the State Commissioner of Finance, the total appropriations from the governments of the City of Louisville and Jefferson County shall fall (a) below the level of support existing at the time this Act takes effect, or (b) below twelve percent of the combined total of state and local appropriations to the University for more than one city or county budgetary period, the nominating authority of said mayor and said county judge shall terminate, and the appointments for all trustees, except the one selected from recommendations of the alumni, shall be made directly and exclusively by the

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175 MAR 554

Governor. Such alteration shall not affect the total number of memberships on the board.

(5) Vacancies among the citizen members of the board occurring by death, resignation, removal of residence from the Commonwealth or any other cause shall be filled by appointments made by the Governor for the expiration of the term, subject to the qualifications set forth in (3) and (4) of this Section.

(6) No member of the board of trustees or of the teaching or administrative staff of the University shall be directly or indirectly interested in any contract with the University for the sale of property, materials, supplies, equipment, or services, with the exception of compensation to the faculty and student members.

(7) Subsection (2) of Section 63.080 of the Kentucky Revised Statutes is hereby expressly made applicable to members of the board of trustees of the University of Louisville.

Section 3. (1) The board of trustees of the University of Louisville, which, by its present Charter and Articles of Incorporation as heretofore amended, is a body politic and corporate in law, shall continue thereas with the usual corporate powers, and shall possess all the authorities, immunities, rights, privileges, and franchises usually attaching to the governing bodies of Kentucky public higher educational institutions, together with those granted such corporations by Kentucky Revised Statutes, Sections 273.161 to 273.990, both inclusive, which shall include the following:

(a) Appointment of a president, all faculty members and other personnel and determination of the compensation, duties and official relations of each.

(b) Suspension or removal of the president, officers, faculty, agents or other personnel that it is authorized to appoint, except that no president, professor or teacher shall be removed except for incompetence, neglect of or refusal to perform his duty or for immoral conduct, and that such removal shall be made in accordance with procedures established by law for state institutions.

(c) Election of a vice chairman and such other officers as it deems wise, including the annual election of a five-member executive committee which shall have the powers that the board delegates to it and shall operate under such rules as the board shall establish under its authority to make such by-laws, rules and regulations consistent with Senate Bill No. 117.

(d) Receipt, retention and administration on behalf of the university, subject to the conditions attached, all revenues accruing from endowments, appropriations, allotments, grants or bequests, and all types of property.

(e) Requirement of such reports from the president, officers, faculty and employees as it deems necessary and proper from time to time.

(f) Granting degrees to graduates of the university, prescription of conditions upon which postgraduate honors may be obtained, and conferment of honorary degrees.

(2) The provisions of Sections 164.030, 164.200, 164.250, 164.280, 164.390, 164.410, and 164.460 of the Kentucky Revised Statutes shall be applicable to the University of Louisville, except where inconsistent with the purposes of Senate Bill No. 117 adopted by said 1970 General Assembly.

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Section 4. (1) The governing body of said City of Louisville may make an annual appropriation from the general funds of the city, or from funds derived from other sources, for the support of the University of Louisville. Such appropriation shall be such sum as in the judgment of the governing body of the city shall, when supplemented by other income of the state educational institution, be reasonably necessary for such purposes; and the funds so appropriated by the governing body of the city may be paid to the Treasurer of the University by the Director of Finance of the city in regular monthly installments.

(2) The governing body of said City of Louisville may additionally set apart or appropriate as a site or sites for buildings and grounds of such state educational institution any public grounds of the city not specially appropriated or dedicated by ordinance to another use.

Section 5. Consistent with Subsection (11) of Section 67.080 of the Kentucky Revised Statutes, the fiscal court of Jefferson County, Kentucky, may appropriate county funds for the benefit of the University of Louisville.

Section 6. The board of trustees of the University of Louisville may issue revenue bonds of the University for the erection of buildings and appurtenances to be used in connection with the University for educational purposes, and otherwise as provided in Section 162.340 to 162.380 of the Kentucky Revised Statutes, and subject to the provisions of Chapter 56 of the Kentucky Revised Statutes, provided said board of trustees may in its discretion issue such revenue bonds not only for the purposes and in the manner set forth in Section 162.340 to 162.380, but also for the purposes of refinancing any mortgages, mortgage bonds, revenue bonds, notes, or other evidences of indebtedness previously issued or incurred by the University in

connection with the acquisition of lands or the purchase, erection or other acquisition of buildings and appurtenant facilities for educational purposes of the University. Provided, however, that this section shall not be construed to authorize the issuance of revenue bonds of a face amount in excess of sixteen million dollars for the purpose of refinancing any mortgages, mortgage bonds, revenue bonds, notes, or other evidences of indebtedness previously issued or incurred.

Section 7. (1) In order to qualify to receive the benefits of its status as a State institution, as provided in Senate Bill No. 117 of the 1970 General Assembly of Kentucky, the Board of Trustees of the University of Louisville has adopted, and shall cause to be filed for public record, these Articles of Amendment to its Charter and Articles of Incorporation, as heretofore amended, amending that Charter and those Articles in such manner as to conform to the provisions of Senate Bill No. 117, and shall take all such steps, and shall do all other things necessary or appropriate for the accomplishment of said purposes.

(2) By taking the actions next above referred to in Paragraph (1) of this Section 7, for the purposes therein set forth, said Board of Trustees intends to, and to the extent of its power so to do, does, vest in the Commonwealth of Kentucky for the use and benefit of the University of Louisville (without execution and recording of any instruments of conveyance) title to all property which may be vested in the University of Louisville at the date such qualifying action is perfected according to law. The title so vested in the Commonwealth for the use and benefit of University of Louisville shall be such title as the University of Louisville may own at that time and

BOOK 175 PAGE 557

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shall be subject to such liens and encumbrances as may then exist thereon. Real property thereafter acquired by the University of Louisville, or for its use and benefit, shall be in accordance with the provisions of Sections 56.020 to 56.060, both inclusive, of Kentucky Revised Statutes; and any such acquisition of real property, and all dispositions of real property of the University, shall be subject to the provisions of Sections 56.440 to 56.520 of Kentucky Revised Statutes.

(3) Personal property hereinafter acquired by University of Louisville, or for its use and benefit, shall be held and used in accordance with the provisions of the Charter and Articles of Incorporation of the University of Louisville as amended by these Articles of Amendment, including Section 3 hereof, and Section 3 of Senate Bill No. 117 of the 1970 General Assembly of Kentucky.

Section 8. Except to the extent otherwise provided by law or by these Articles of Amendment, University of Louisville is, and shall be and remain a corporation which shall exist under, and by virtue of, and shall have all the powers, rights, and authorities granted and enjoyed and exercised by similar corporations by reason of the provisions of Kentucky Revised Statutes, Sections 273.161 to 273.990, both inclusive.

IN TESTIMONY WHEREOF, Witness the signatures affixed hereto, this 30th day of June, 1970.

UNIVERSITY OF LOUISVILLE

By Edwin G. Middleton
Edwin G. Middleton
Chairman of Board of Trustees
University of Louisville

By Mrs. Carroll L. Witten
Mrs. Carroll L. Witten
Secretary of Board of Trustees
University of Louisville

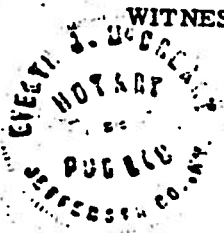
By Woodrow M. Strickler
Woodrow M. Strickler, President
University of Louisville

STATE OF KENTUCKY)
(SS:
COUNTY OF JEFFERSON)

I, the undersigned, a Notary Public in and for the State and County aforesaid, certify that on this day the foregoing Articles of Amendment to the Charter and Articles of Incorporation of University of Louisville were produced before me in said State and County by Edwin G. Middleton, Mrs. Carroll L. Witten and Woodrow M. Strickler, who are respectively Chairman and Secretary of the Board of Trustees and President of University of Louisville, a corporation, and they acknowledged and delivered said instrument to be the act and deed of said Corporation and to be the act and deed of each of them as such officer of said University.

My Commission expires August 1, 1971

WITNESS my hand this 30th day of June, 1970.



Evelyn J. McCrea
Notary Public, Jefferson County
Kentucky

I, S. L. Greenebaum, 614 Kentucky Home Life Building,
Louisville, Kentucky, certify that I prepared this Instrument

of Writing:

S. L. Greenebaum Shirley Begley
S. L. Greenebaum

1 COPY
FILED AND RECORDED

JUN 1 1970

SECRETARY OF STATE OF KENTUCKY
FRANKFORT, KENTUCKY
Raymond S. Selig
ASSISTANT SECRETARY OF STATE

BOOK 175 PAGE 559

An Act to establish the University of Louisville

March 1846

Section Be it enacted by the General Assembly of the Commonwealth of Kentucky, that an Association of Learning & Culture, and the same is hereby established and incorporated in the City of Louisville, and that George W. Meisinger, Earnest Sweeney, James Sweeney, William C. Brown, W. S. Wilson, Isaac Sweeney, James Sweeney, Henry Pate, James Guthrie, Abraham Coleman, William H. Bullock, shall be, and they are hereby appointed Trustees of said University, and shall have perpetual succession, and shall they and their successors in office shall be a body politic and corporate in law, under the name and style of the President and Trustees of the University of Louisville, and by that name and style they may and be sued, plead, and be impleaded, defend, and be defended, contract and be contracted with, in all Courts of law and equity in this Commonwealth, and shall have power and authority to acquire and hold all such real and personal estate, money, goods or chattels as may be necessary, convenient and proper, for all or any of the aforesaid purposes of the University aforesaid, and by that name and style shall also have power and authority to acquire and hold real and personal estate sufficient to yield an annual income, great or small, not exceeding forty thousand dollars per annum, and from time to time, if by them deemed expedient to sell and convey the same, and to incur or disburse of the proceeds in such manner as the Trustees

1) shall inspect upon their arrival the said President and Trustees
 may grant and confer all degrees usually conferred in Colleges
 or Universities, and generally, shall have and exercise all other
 power and authority necessary and proper for an extended
 University of Learning

2) That the said Trustees shall from time to time
 choose one of their own body as President. The President
 shall hold his office during the pleasure of the Board, or such
 term as fixed by the by-laws, or until vacated by death, resign-
 ation, or removal from the country. After the election of President
 the residue of the Trustees shall elect themselves into seven equal
 classes. The first class shall go out of office on the first of March
 1848. The second class on the first of March 1850. The third class on
 the first of March 1852. The fourth class on the first of March 1854
 and the fifth class on the first of March 1856. And the Mayor
 and Council of the City of Louisville a majority of all elected
 concurring, shall fill all the vacancies which shall arise in the
 office of Trustees by the lapse of time, and those who are then chosen
 shall hold their office for the term of three years, and the Mayor
 and Council, a like majority concurring, shall also fill all vacan-
 cies which shall arise from death, resignation, or removal from
 the County or otherwise, for the balance of the term of the Trustees
 whose office shall be vacated. Provided that of the Mayor and

and Council, a like authority concurring. It shall also fill vacancies which shall arise from death, resignation, or removal from the County or otherwise, for the balance of the term of the Trustees whose office shall be vacated. Provided that if the Mayor or any Council shall from any cause fail to fill any vacancy, which shall arise in the Board of Trustees, for the space of thirty days after the President and Trustees shall have a right to fill the same, and - Provided that when the office of President shall become vacant for any cause, the Trustees may choose a President pro tem. until another trustee shall be elected, after which a President shall be chosen.

Sec 4 That the said President and Trustees shall at the close of each Academic year, make a report of the condition of each department of the University, of the condition of the buildings, library, apparatus, &c. belonging to the same, to the Mayor and Council aforesaid, who shall have the right to add all lines of engineering into the same.

That all gifts, grants, donations, endowments, and legacies which may be hereafter made or granted to any one department of said University or to any Professorship, Scholarship or Lectureship therein or the office shall be held by the President and Trustees aforesaid in trust for the department, Professorship, Scholarship, or Lectureship designated in such gift, grant, donation, endowment or bequest, and that the same shall be fully applied for the object designated and no other

Provided that such gifts, grants, donations, or documents, or requests to said University, not designating the purposes for which made, shall be taken as made to the departments of said University other than the Medical and Law Departments.

Sec 1

And whereas on the 21 day of November 1897 the City of Louisville of the first part in accordance with certain resolutions of the City of Louisville, passed at a public meeting held at the Radical Church in Louisville, conveyed to the President and Trustees of the Medical Institute of Louisville all that square of ground in Louisville owned by the said University for a Medical and Birth Hospital, for the purpose of erecting buildings for a Medical College and for other purposes, as in said deed and resolutions is fully set forth, and in said deed, it is stipulated and covenanted by the parties of the deed that in said deed mentioned, who say the President and Trustees aforesaid, that they will and their successors shall in case a Charter for a College or University shall be obtained and on being requested so to do by the Mayor and Council of said City, convey to the Trustees of said College or University so as to obtain three square of land aforesaid and all the improvements thereon and the Library, Apparatus, the belonging to said College or University as the same shall conveyance is or ought to be made.

Now Be it enacted, That

when the said President & Trustees or the said President & Trustees of the Medical Institute

the Library, Apparatus, and belonging to said colleges, houses, and the
said conveyance is or ought to be made.

Now Be it enacted, That
When the said President & Trustees of the said University of Louisville shall upon the request of the Mayor or Council of the
said city or other or their successors, the said Mayor of ground, bounded
with all the improvements thereon, and the Library, Apparatus &c
of said establishment, that then and in that case the said Medical
School shall cease to exist, and all acts incorporating or creating
said school shall be then and thereupon deemed to be repealed, and the Medical
Privileges of said University shall become the Medical Department
of the University of Louisville, and of all then existing under the con-
trol of the President and Trustees of said University, and their successors or
their assigns and assigns. Provided that the President and
Council of Louisville shall never appropriate nor shall the Mayor or
Council of Louisville appropriate the Medical College and the
Library, Apparatus, and the Library, Apparatus, Museum, &c. to
any other purpose than to the use and purposes of the
Medical Department of said University. And shall the
said President and Trustees of said University shall have the power
to do all such things as may be necessary for the better management
of the same.

Recy. Be it further enacted, That from the date of this Act going into operation, the Act entitled an Act for the benefit of the Townsville College shall be no longer in force, and that the, proceeds arising from the sales of the Townsville lot so called, lying on the West side of 8th Street in Townsville, now or to be hereafter made by the Mayor and Council of Townsville, shall be applied to and under the direction of said Mayor and Council & the erection of buildings on said square for the Academic Department of said University.

Recy. That the Professor now in office in said Hospital shall continue to be Professor in the Medical Department of said University during the pleasure of the President and Scholars of said University, and they, or any one of them, may be removed by the said President and Scholars, and other appointed in their place, but not less than a majority of said Scholars shall have power to remove or appoint any Professor in said Medical or Academic Department of said University.

Recy. That the Physics of one class of the Academic Department shall be entitled to attend annually without compensation a course of Lectures on Anatomy and Physiology, and a course on Chemistry, and that one class of the Law Department shall have the right to annually to attend a course of Lectures on Medical Jurisprudence & to without compensation, and each Department shall if requisite, receive from the Hospital a portion of the

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Sandra Perry

ARTICLES OF AMENDMENT
TO THE ARTICLES OF INCORPORATION
OF THE
QUALITY AND CHARITY CARE TRUST, INC.

Pursuant to the provisions of KRS 273.267, the Quality and Charity Care Trust, Inc., a Kentucky non-stock, not-for-profit corporation without members (the "Corporation") hereby adopts the following Articles of Amendment to its Articles of Incorporation:

- FIRST: The name of the Corporation is the Quality and Charity Care Trust, Inc.
- SECOND: The Corporation's Articles of Incorporation were amended by a consent in writing signed by all Directors entitled to vote with respect thereto and dated April 13, 1992.
- THIRD: Article VIII, paragraph one, of the Corporation's Articles of Incorporation shall read as follows:

ARTICLE VIII

The business and affairs of the Corporation shall be under the supervision, management and control of a Board of Directors, which shall exercise the Corporation's powers and authority. The Board of Directors shall consist of (a) six persons appointed by the Board of Trustees of the University who are trustees of the University, members of its staff serving at the pleasure of the Board, or a nominee of the Governor of the Commonwealth of Kentucky and (b) three other Directors, one each elected by the University of Louisville Board of Trustees from a list of three nominees submitted by the Mayor of Louisville, Jefferson County Judge Executive and Louisville and Jefferson County Board of Health, respectively. The term of each director shall be one year.

Jacquelyn D. Reid
Jacquelyn D. Reid, Chairman
Board of Directors
Quality and Charity Care
Trust, Inc.

Karen R. Howe
Karen R. Howe
Assistant Secretary
Board of Directors
Quality and Charity Care Trust, Inc.
A/2252K

ARTICLES OF AMENDMENT
TO THE ARTICLES OF INCORPORATION
OF THE
QUALITY AND CHARITY CARE TRUST, INC.

Pursuant to the provisions of KRS 273.263 and KRS 273.267, the Quality and Charity Care Trust, Inc., a Kentucky non-stock, not for profit corporation without members (the "Corporation") hereby adopts the following Articles of Amendment to its Articles of Incorporation:

- FIRST: The name of the Corporation is the Quality and Charity Care Trust, Inc.
- SECOND: The Corporation's Articles of Incorporation were amended by the affirmative vote of a majority of Directors of the Corporation on May 25, 1989, at a meeting held pursuant to the By-laws of the Corporation as provided in the Kentucky Nonprofit Corporation Act.
- THIRD: Article IX of the Corporation's Articles of Incorporation shall read as follows:

ARTICLE IX

Indemnification of directors, officers and agents of the Corporation may be as provided for in the By-Laws effective upon filing of this Article with the Secretary of State; provided, however, such indemnification is not otherwise in conflict with the provisions of Article III of these Articles of Incorporation, and shall not limit liability for (a) any transaction in which a director's personal financial interest is in conflict with the financial interest of the Corporation; (b) for acts or omissions not in good faith or which involve intentional misconduct, or are known to the director to be a violation of law; or (c) or for any transaction from which the director derives an improper personal benefit.

Robert L. Stenger
Robert L. Stenger, Chairman
Board of Directors
Quality and Charity Care Trust,
Inc.

Karen R. Howe
Karen R. Howe
Assistant Secretary
Board of Directors
Quality and Charity Care Trust, Inc.

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COMMONWEALTH OF KENTUCKY
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ARTICLES OF INCORPORATION
OF
THE QUALITY AND CHARITY CARE TRUST, INC.

APR 26 1983

Caroline J. Hill

I, the undersigned incorporator of The Quality and Charity Care Trust, Inc., of Jefferson County, Kentucky, do hereby incorporate a non-profit corporation without capital stock or shareholders, under the provisions of RRS 273.161 to 273.390, and for that purpose adopt the following Articles of Incorporation.

ARTICLE I

The name of the corporation is The Quality and Charity Care Trust, Inc.

ARTICLE II

The period of duration of the Corporation is perpetual.

ARTICLE III

Any provision of these Articles to the contrary notwithstanding, the Corporation shall not have any purpose or object, nor have or exercise any power, nor engage in any activity which in any way contravenes or is in conflict with the provisions of Section 1 of this Article III of these Articles of Incorporation.

The objects and purposes of the Corporation and the powers it shall have and may exercise are as follows:

1. To conduct and carry on its work, not for profit, but exclusively for charitable, educational and scientific purposes including but not limited to the provision of health care to needy persons, in such manner that no part of its income or property shall inure to the private benefit of any donor, director or individual having a personal or private interest in the activities of the Corporation and in such a manner that it shall not directly or indirectly engage in carrying on propaganda or otherwise attempting to influence legislation.

2. To implement the provisions of the Quality and Charity Care Trust Agreement entered into January 27, 1983 by and between the University of Louisville, Commonwealth of Kentucky, City of Louisville, Jefferson County and Humana of Virginia, Inc., including the receipt, investment and disbursement of funds as provided therein.

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3. To qualify as and remain classified as an affiliated corporation of the University of Louisville pursuant to the provisions of KRS 164A.610 and exercise all rights and perform the duties as such.

4. To engage in any other activities as, in the opinion of the Board of Directors, may be incidental to, in furtherance of, or appropriate to effectuate the purposes hereinbefore expressed.

5. To engage in any and all lawful activities or pursuits for which a corporation may be incorporated under Chapter 273 of the Kentucky Revised Statutes dealing with non-stock, non-profit corporations and to exercise any and all powers that such corporations may now or hereafter exercise, whether or not specifically set forth herein, and insofar as such may not be inconsistent with Section 1 hereof.

The foregoing Section shall be construed as powers, as well as objects and purposes, and the matters expressed in each Section shall, unless herein otherwise expressly provided, be in no wise limited by reference to or inference from the terms of any other Section, but shall be regarded as independent purposes and powers, and the enumeration of specific purposes and powers shall not be construed to limit or restrict in any manner the general powers of the Corporation nor the meaning of the general terms used in describing any such purposes and powers; nor shall the expression of one thing be deemed to exclude another not expressed, although it be of like nature.

ARTICLE IV

Notwithstanding any provision heretofore stated herein, if at any time the Corporation is determined to be a private foundation or private operating foundation as defined in Section 509 or Section 4942 of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent Federal tax laws, then:

1. The Corporation shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code of 1954, or by corresponding provisions of any subsequent Federal tax laws.

2. The Corporation shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code of 1954, or in corresponding provisions of any subsequent Federal tax laws.

3. The Corporation shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue

Code of 1954, or in corresponding provisions of any subsequent Federal tax laws.

4. The Corporation shall not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code of 1954, or under corresponding provisions of any subsequent Federal tax laws.

5. The Corporation shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code of 1954, or in corresponding provisions of any subsequent Federal tax laws.

ARTICLE V

In the event of a dissolution and liquidation the assets of the Corporation shall be applied and distributed as follows:

1. All liabilities and obligations of the Corporation shall be paid and discharged, or adequate provisions shall be made therefor;

2. Assets held by the Corporation upon a condition requiring return, transfer or conveyance, which condition occurs by reason of the dissolution, shall be returned, transferred or conveyed in accordance with such requirements;

3. All other assets which are not held upon a condition requiring return, transfer or conveyance by reason of dissolution, shall be transferred or conveyed to the University of Louisville Foundation, Inc., if that organization at the time of such transfer or conveyance is described in Section 170(b)(1)(A) (other than in clauses (vii) and (viii)) and in Section 501(c)(3) of the Internal Revenue Code of 1954, or in corresponding provisions of any subsequent Federal tax laws or, if that organization is not (a) in existence, or (b) so described, then to the University of Louisville, if that organization is described in Section 170(b)(1)(A) (other than in clauses (vii) and (viii)) and in Section 501(c)(3) of the Internal Revenue Code of 1954, or in corresponding provisions of any subsequent Federal tax laws, if that organization is not (a) in existence, or (b) so described, then to the Commonwealth of Kentucky, for charitable purposes, pursuant to a plan of distribution adopted as provided by law.

ARTICLE VI

There shall be no members of the Corporation.

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ARTICLE VII

Until otherwise changed, the registered office of the Corporation shall be located at the University of Louisville, Office of University Counsel, Louisville, Kentucky 40292, and the name of its registered agent at such address is David L. Baker, University Counsel.

ARTICLE VIII

The business and affairs of the Corporation shall be under the supervision, management and control of a Board of Directors, which shall exercise the Corporation's powers and authority. The Board of Directors shall consist of (a) six persons appointed by the Board of Trustees of the University of Louisville who are trustees of the University or members of its staff serving at the pleasure of the Board and (b) three other Directors, one each elected by the University of Louisville Board of Trustees from a list of three nominees submitted by the Mayor of Louisville, Jefferson County Judge Executive and Louisville and Jefferson County Board of Health, respectively. The term of each director shall be one year.

The number of directors constituting the initial Board of Directors shall be three and the names and addresses of the persons who are to serve as initial directors are as follows:


- Robert L. Cochran University Staff Senate
University of Louisville
Louisville, Kentucky 40292
- Mr. Frank Jemley III Student Government Association
University of Louisville
Louisville, Kentucky 40292
- George C. Lindauer, Ph.D. University Faculty Senate
University of Louisville
Louisville, Kentucky 40292

ARTICLE IX

Indemnification of directors, officers, employees and agents of the Corporation may be as provided for in the By-Laws; provided, however, such indemnification is not otherwise in conflict with the provisions of Article II of these Articles of Incorporation.

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I certify that I prepared the
foregoing instrument.


Robert J. Morrison
Assistant University Counsel
University of Louisville
Louisville, Kentucky 40292
(502) 588-6981

William
R. Morrison
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END OF DOCUMENT

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**By-Laws of the Board of Trustees
University of Louisville**

**BY-LAWS OF THE BOARD OF TRUSTEES OF
THE UNIVERSITY OF LOUISVILLE**

ARTICLE 1: OFFICES

Section 1.1 REGISTERED OFFICE AND PRINCIPAL OFFICE

Until altered as provided by law, the Registered Office of the University of Louisville shall be the address stated in its Charter and Articles of Incorporation as amended and its principal office shall be Belknap Campus, Louisville, Jefferson County, Kentucky 40292.

Section 1.2 OTHER OFFICES

The University may maintain other offices at such places, within and without the Commonwealth of Kentucky, as its Board of Trustees may from time to time establish.

ARTICLE 2: THE BOARD OF TRUSTEES

Section 2.1 GENERAL POWERS

The government of the University shall be vested in a Board of Trustees, which shall consist of such number of persons having such voting rights, serving such terms and appointed by such means as provided in the Kentucky Revised Statutes. In exercising its powers as derived from the Kentucky Revised Statutes, and implemented in its By-Laws and the governmental procedures for the University, the Board of Trustees as the governing body of a state agency shall exercise its powers and authorities in a manner consistent with applicable policies set by the Commonwealth of Kentucky.

Section 2.2 MEETINGS

The annual meeting of the Board shall be held in September of each year. At said annual meeting the Board shall elect its officers and the at-large member of the Executive Committee. A regular meeting of the Board of Trustees shall be at least quarterly, subject to modification as directed by the Board. Special meetings of the Board shall be held at the call of the Chair or the President of the University, or upon the request of at least three members of the Board. In April of each year the Secretary of the Board shall certify the attendance of each Board member at each of the meetings of the Board held since the previous April to the Chair of the Board of Trustees who in turn shall forward said certification to the Governor of the Commonwealth of Kentucky.

Exhibit E

**By-Laws of the Board of Trustees
University of Louisville**

Section 2.3 NOTICE TO TRUSTEES OF MEETINGS

Reasonable notice, orally or in writing, of each Regular and Special Meeting of the Board of Trustees shall be given by the person calling it or by the Secretary to the members of said Board, but such notice may be waived by any person entitled thereto. Attendance of a Trustee at any meeting shall constitute waiver of notice of such meeting, except when such Trustee attends the meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened. Neither the business to be transacted at nor the purpose of any regular or special meeting of the Board of Trustees need be specified in the notice, or waiver of notice of such meeting.

Section 2.4 QUORUM

A majority of all the Trustees shall constitute a quorum of the Board of Trustees, which shall act by a majority of those present at a meeting at which a quorum is present; but in the absence of a quorum a meeting may be recessed from time to time by consent of a majority of the members present, without notice other than by announcement at the meeting.

Section 2.5 ORGANIZATION OF MEETINGS OF THE BOARD OF TRUSTEES

The Chair of the Board of Trustees shall preside at all meetings thereof. In the absence of the Chair, the Vice-Chair shall preside, but if both of them be absent, a Chair pro tempore shall be chosen at the meeting from among the members of the Board there present. Such Chair shall be vested with all the powers and duties of the Chair. The Secretary of the Board shall act as Secretary of all meetings thereof. In the absence of a Secretary, the Chair shall appoint a Secretary pro tempore.

Section 2.6 EXECUTIVE SESSIONS OF THE BOARD OF TRUSTEES

Executive sessions of the Board and any of its committees shall remain confidential except for reports to be made only by the Board Chair or a designated spokesperson or the President of the University. The President may be excused from any executive session at which the President's performance or compensation is being evaluated.

Section 2.7 COMMITTEES OF THE BOARD

A. IN GENERAL

In addition to the Executive Committee required by statute, the Board shall establish any committees, standing or ad hoc, required for the conduct of its business. The Board will define the membership composition and charge to such committees. The Board Chair will make appointments to such

**By-Laws of the Board of Trustees
University of Louisville**

committees after receiving recommendations from the Board members. The Board Chair will designate the Chair of each committee. The President shall be an ex officio, without a vote, member of all committees except the Audit committee. For any standing committees, the membership composition and charge will be kept in an appendix to these bylaws. Said appendix will change from time to time as may be necessary without any amendment of these by-laws.

B. EXECUTIVE COMMITTEE

The Executive Committee shall consist of the officers of the Board of Trustees, one at-large member of the Board who shall be elected by the Board, [and] one of the three constituency chairs who shall be a member, and the past Chair of the Board as ex officio, non-voting so long as he or she is continuing as a member of the Board of Trustees. In the case of the constituency member of the Executive Committee, the seat shall be filled on a rotating annual basis by the Faculty Senate chair, the Student Government Association president, or the Staff Senate chair. The Committee shall, under the powers delegated to it in accordance with the Kentucky Revised Statutes, act for the Board of Trustees during the interim between meetings of the Board. The Executive Committee shall carry out assignments given it by the Board of Trustees and make such reports to the Board as required by it. Actions taken by the Executive Committee shall be reported to the Board for ratification except when the Board specifically authorizes an action to be taken on its behalf, such action will be reported only.

Section 2.8 RULES OF ORDER

The rules contained in the current edition of Robert's Rules of Order, Newly Revised, shall govern the Board in all cases to which they are applicable and in which they are not inconsistent with these By-Laws, any special rules of order this Board may adopt and any statutes applicable to the Board.

ARTICLE 3: OFFICERS

Section 3.1 OFFICERS OF THE BOARD

The officers of the Board of Trustees shall be a Chair, a Vice-Chair, a Secretary, and a Treasurer, and such other officers and assistant officers as the Board may appoint.

Section 3.2 DUTIES OF THE CHAIR

A Chair, who shall be annually elected by the Board of Trustees from among its members for a term of one year, shall preside at all meetings of the Board of Trustees and shall perform such other and further duties and have such powers as are usually performed

**By-Laws of the Board of Trustees
University of Louisville**

and possessed by similar officers of like institutions of higher education and shall perform such other duties and have such additional powers as may from time to time be prescribed by the Board of Trustees.

Section 3.3 DUTIES OF THE VICE-CHAIR

A Vice-Chair, who shall be annually elected by the Board of Trustees from among its members for a term of one year, shall perform all the duties and have all the powers of the Chair during the absence or disability of the latter.

Section 3.4 DUTIES OF THE SECRETARY

A Secretary, who shall be elected annually by the Board from among its members for a term of one year, shall keep the minutes of all proceedings of the Board of Trustees, and shall see that proper minutes and records are kept of all proceedings of Committees of the Board including the Executive Committee. The Secretary shall make and keep proper records which shall be attested. In addition, the Secretary shall keep such other books and records as may be required by the Board of Trustees and shall have charge of the corporate seal. The Secretary shall generally perform such other and further duties as may be required by the Board of Trustees. In the absence of the Secretary or in the event of disability, the duties shall be performed by any Trustee or any Assistant Secretary who may be appointed by the Chair.

Section 3.5 DUTIES OF THE TREASURER

A Treasurer, who shall be elected annually by the Board from among its members for a term of one year, shall have general supervision over the financial matters of the University and shall see that reports as to the financial condition of the University are made to the Board of Trustees, as may be required by the Board. The Treasurer generally shall perform such other and further duties as may be required by the Board of Trustees. In the absence of the Treasurer or in the event of disability, the duties shall be performed by any Trustee or Assistant Treasurer who may be appointed by the Chair.

Section 3.6 OTHER OFFICERS

The Board of Trustees shall have authority to appoint such other officers, agents and employees as may be desired.

ARTICLE 4: MISCELLANEOUS PROVISIONS

Section 4.1 CONFLICT OF INTEREST

All members of the Board of Trustees shall disclose any known conflict of interest and shall avoid participating in any decision

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or advocating any subject matter before the Board in which a member of the immediate family of a Board member has a conflict of interest. When a member learns that a business transaction presents a conflict of interest, that member must make an immediate, full disclosure to the Board of his or her interest in the subject. The member shall not participate in any discussion of or decision on the issue. Disclosures are necessary for business transactions which would result in conflict of interest. Failure of a member to make a disclosure shall void any resulting agreement at the option of the University. University remuneration to a faculty or staff Trustee and financial aid to a student Trustee shall not be considered a financial or other conflict of interest. This policy shall not prohibit a Trustee, an organization which employs a Trustee, or an organization in which a Trustee has financial interest from pursuing a University purchase or contract to be awarded by competitive bidding. However, such Trustee must first inform the other Trustees and notify the newspaper having the largest circulation in Jefferson County of his or her intent to participate in bidding for a University business transaction.

Section 4.2 DIPLOMAS, DEGREES AND CERTIFICATES

All diplomas, degrees and certificates of the University shall carry the signature or a facsimile signature of the Chair of the Board of Trustees, the President, the Dean of the academic unit, and the Registrar.

Section 4.3 TRUSTEE EMERITUS

A person whose term(s) as a Trustee has expired as of July 1970 and thereafter and who has expressed a willingness to continue supporting the University of Louisville, shall, upon the recommendation of the Executive Committee, be conferred the permanent title of Trustee Emeritus.

ARTICLE 5: AMENDMENT OF BY-LAWS

Section 5.1 IN GENERAL

The Board of Trustees may alter or amend these By-Laws and may adopt new ones, but notice of any proposed changes shall be given at the previous regular or special meeting.

I HEREBY CERTIFY that these By-Laws were duly adopted by the Board of Trustees of the University of Louisville as required by law, this 13th day of November, 2008.



Chair of the Board of Trustees

Attest: 
Assistant Secretary

**By-Laws of the Board of Trustees
University of Louisville**

APPENDIX TO BYLAWS

FINANCE COMMITTEE

The Committee on Finance shall consist of a Chair and at least six additional members duly appointed by the Chair of the Board of Trustees at its annual meeting or as soon thereafter as possible. The Treasurer of the Board of Trustees shall also be a member of the Committee on Finance. The Committee shall consider the budget recommendations of the President, and shall submit its recommendations thereon to the Board as a whole. At the meeting of the Board when it considers the annual Operating Budget, the Committee Chair shall make a report on the University's financial situation.

AUDIT COMMITTEE

The Committee on Audit shall consist of a Chair and at least six additional members duly appointed by the Chair of the Board of Trustees at its annual meeting or as soon thereafter as possible. The Committee shall recommend the designation of an independent auditor and shall cause to be prepared and submitted to the Board of Trustees at least once a year an audited statement of the financial condition of the University as of the close of the fiscal year and of the receipts and expenditures for each year. The Committee may request any designated independent auditor, or any officer or employee of the University to appear before it to report on the financial condition of the University and answer any questions the Committee might have. The Committee shall also receive other audit reports pertaining to the institution and recommend any changes they deem appropriate to financial control and accounting systems. The President of the University shall not be an ex officio member of the Audit Committee, but may, upon invitation of the Committee, attend any meeting.

PERSONNEL COMMITTEE

A Committee on Personnel shall consist of a Chair and at least six additional members, all of whom shall be members of the Board of Trustees and duly appointed by the Chair of the Board of Trustees at its annual meeting or as soon thereafter as possible. The Committee on Personnel shall consider all nominees from whatever source for a university-wide award or for the granting of any honorary degree from the University. The Committee shall be involved in all discussion of and recommendations to the Board of Trustees of those to be considered for such awards or such honorary degrees, and for conferring proper names on University property. The Committee on Personnel shall consider all recommendations for promotion within the University and the awarding of tenure thereto. After reviewing such nominees, the Committee shall make its recommendations to the Board of Trustees. The Committee shall have referred to it all matters concerning disagreement on whether or not promotion or tenure should or should not be granted and shall make its recommendations to the Board of Trustees.

ACADEMIC AND STUDENT AFFAIRS COMMITTEE

The Committee on Academic and Student Affairs shall consist of a Chair and at least six additional members, including representatives of the faculty and Student Government Association, and duly appointed by the Chair of the Board of Trustees at its annual meeting or as soon thereafter as possible. The Committee

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University of Louisville**

on Academic and Student Affairs shall consider all recommendations for academic centers, institutes, degree granting programs and other academic entities. Additionally, the Committee will receive regular reports, at least annually, from the President regarding policies affecting the academic enterprise or the welfare of students.

TRUSTEES AWARD COMMITTEE

The Trustees Award Committee shall consist of a Chair and six additional members, including representatives of the faculty and Student Government Association and duly appointed by the Chair of the Board of Trustees at its annual meeting or as soon thereafter as possible. The Committee shall consider all recommendations and nominations for faculty (full- or part-time; undergraduate, graduate, or professional, even groups of faculty) who have had an extraordinary impact on students. The Committee shall make its recommendations to the Board of Trustees for approval in time for presentation to the award winner at the May University Commencement ceremonies.

NOMINATING COMMITTEE

The Nominating Committee shall consist of a Chair and two additional members of the Board and duly appointed by the Chair of the Board of Trustees at its annual meeting or as soon thereafter as possible. The Committee shall solicit nominations from among the members of the Board of Trustees when making its recommendations for the annual election of officers. The Nominating Committee shall consult with all Trustees prior to presenting its recommendations to the Board for election at the annual meeting.

COMPENSATION COMMITTEE

The Committee on Compensation shall consist of the Vice Chair of the Board, who shall serve as the Chair of the Committee, the Treasurer of the Board, who shall serve as the Vice Chair of the Committee, and three other members of the Board, along with the Chair of the UofL Foundation, Inc., who shall serve as an ex officio member, and all members shall be duly appointed by the Chair of the Board of Trustees at its annual meeting or as soon thereafter as possible. The Compensation Committee shall consider and recommend to the Board of Trustees all compensation for the President of the University.

BYLAWS AND POLICIES COMMITTEE

The Bylaws and Policies Committee shall consider and recommend to the Board of Trustees all changes to Bylaws and Policies and assure the Board's Bylaws reflect the direction of the Board of Trustees.

STRATEGIC PLANNING COMMITTEE

The Strategic Planning Committee shall consider and recommend to the Board of Trustees any strategic plan affect the University, e.g., the 21st Century University Initiative.

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University of Louisville**

University of Louisville Board of Trustees
Policy Statements and Operational Guidelines

BOT 1.0 Policy Statements

1.1 Ethics Statement

In all matters entrusted to the Board of Trustees of the University of Louisville, the Board, individually and collectively, is committed: to uphold the public trust in the University of Louisville; to carry out its responsibilities in accordance with the laws of the Commonwealth; to act with care and make informed decisions; to comply with University policies applicable to the Board of Trustees; to refrain from actions which put a Trustee's personal or professional interests in conflict with that of the University and to abstain from any action or vote where appropriate; and, to avoid the use of Trustee appointment to obtain any private benefit. Further, neither the Chair of the Board nor a majority of Board members shall have a contractual, employment, or personal financial interest in the University.

1.2 Philanthropy Statement

The Board of Trustees recognizes that every member of its board has an ethical responsibility to lead by example through personal philanthropy that reflects personal financial means. The Trustees accept, therefore, as the University of Louisville increasingly seeks private support that they will achieve 100% trustee participation in annual donor giving.

BOT 2.0 Operational Guidelines

- 2.1 All new Trustees will attend a formal orientation as soon as practicable after being appointed to the Board.
- 2.2 The Board will hold an annual retreat.
- 2.3 For any meeting of any Committee of the Board of Trustees, other than Committee meetings which are scheduled for those dates on which regularly scheduled Board of Trustees or Committee meetings are to be held, every effort will be made to provide at least four business days notice of same.

(Revised: February 21, 2007)

Commonwealth of Kentucky
Alison Lundergan Grimes, Secretary of State

NARP
0052977
Alison Lundergan Grimes
KY Secretary of State
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Principal Office

OFFICE OF UNIVERSITY COUNSEL
UNIVERSITY OF LOUISVILLE
LOUISVILLE, KY 40292

Registered Agent Name/Address

LESLIE C. STROHM
UNIVERSITY OF LOUISVILLE
2301 S THIRD STREET
LOUISVILLE, KY 40292

Current Officers

Vice Chairman	Brucie Moore	103 Grawemeyer Hall, University of Louisville, Louisville, KY 40292
Chairman	Larry Benz	103 Grawemeyer Hall, University of Louisville, Louisville, KY 40292
President	James R Ramsey	103 Grawemeyer Hall, University of Louisville, Louisville, KY 40292
Secretary	Doug Hall	103 Grawemeyer Hall, University of Louisville, Louisville, KY 40292
Treasurer	Steve Campbell	103 Grawemeyer Hall, University of Louisville, Louisville, KY 40292

Directors

Director	Marie K Abrams	Grawemeyer Hall, University of Louisville, Louisville, KY 40292
Director	Bruce Henderson	Grawemeyer Hall, University of Louisville, Louisville, KY 40292
Director	Robert Curtis Hughes	Grawemeyer Hall, University of Louisville, Louisville, KY 40292

Signatures

Signature	Kathleen Smith
Title	Assistant Secretary



**SOUTHERN ASSOCIATION OF COLLEGES AND SCHOOLS
COMMISSION ON COLLEGES**

1866 Southern Lane • Decatur, Georgia 30033-4097

Telephone 404/679-4500 Fax 404/679-4558

www.sacscoc.org

October 27, 2010

Dr. James R. Ramsey
President
University of Louisville
2301 South Third Street
Grawemeyer Hall
Louisville, KY 40292-0001

Dear Dr. Ramsey: *Jim*

This is to certify that the University of Louisville in Louisville, Kentucky, is accredited by the Southern Association of Colleges and Schools Commission on Colleges to award Associate's, Bachelor's, Master's, Education Specialists and Doctoral degrees.

The institution was initially accredited in 1915 and was last reviewed and reaffirmed in 2007. The reaffirmation review covered the main campus and all extended sites. The institution's accreditation extends to all programs offered on the institution's main campus as well as those offered at all extended program sites wherever located. The institution is scheduled to receive its next reaffirmation of accreditation review in 2017.

Sincerely,

A handwritten signature in cursive script, appearing to read "Belle".

Belle S. Wheelan, Ph.D.
President

BSW:kf

cc: Ms. Connie C. Shumake, Asst. University Provost

The Principles of Accreditation:

Foundations for Quality Enhancement



**Southern Association of Colleges and Schools
Commission on Colleges**

1866 Southern Lane
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■ OVERVIEW

The Southern Association of Colleges and Schools Commission on Colleges



MISSION

The Southern Association of Colleges and Schools Commission on Colleges is the regional body for the accreditation of degree-granting higher education institutions in the Southern states. The Commission's mission is the enhancement of educational quality throughout the region and the improvement of the effectiveness of institutions by ensuring that they meet standards established by the higher education community that address the needs of society and students. It serves as the common denominator of shared values and practices among the diverse institutions in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Texas, Virginia, Latin America, and other international sites approved by the Commission on Colleges that award associate, baccalaureate, master's, or doctoral degrees. The Commission also accepts applications from other international institutions of higher education.

Accreditation by SACS Commission on Colleges signifies that the institution (1) has a mission appropriate to higher education, (2) has resources, programs, and services sufficient to accomplish and sustain that mission, and (3) maintains clearly specified educational objectives that are consistent with its mission and appropriate to the degrees it offers, and that indicate whether it is successful in achieving its stated objectives.

PHILOSOPHY

Self-regulation through accreditation embodies a traditional U.S. philosophy that a free people can and ought to govern themselves through a representative, flexible, and responsive system. Accordingly, accreditation is best accomplished through a voluntary association of educational institutions.

Both a process and a product, accreditation relies on integrity, thoughtful and principled judgment, rigorous application of requirements, and a context of trust. The process provides an assessment of an institution's effectiveness in the fulfillment of its mission, its compliance with the requirements of its accrediting association, and its continuing efforts to enhance the quality of student learning and its programs and services. Based upon reasoned judgment, the process stimulates evaluation and improvement, while providing a means of continuing accountability to constituents and the public.

The product of accreditation is a public statement of an institution's continuing capacity to provide effective programs and services based on agreed-upon requirements. The statement of an institution's accreditation status with the Commission on Colleges is also an affirmation of an institution's continuing commitment to the Commission's principles and philosophy of accreditation.

The Commission on Colleges expects institutions to dedicate themselves to enhancing the quality of their programs and services within the context of their resources and capacities and to create an environment in which teaching, public service, research, and learning occur, as appropriate to the mission.

At the heart of the Commission's philosophy of accreditation, the concept of quality enhancement presumes each member institution to be engaged in an ongoing program of improvement and be able to demonstrate how well it fulfills its stated mission. Although evaluation of an institution's educational quality and its effectiveness in achieving its mission is a difficult task requiring careful analysis and professional judgment, an institution is expected to document the quality and effectiveness of all its programs and services.

The Commission on Colleges supports the right of an institution to pursue its established educational mission; the right of faculty members to teach, investigate, and publish freely; and the right of students to access opportunities for learning and for the open exchange of ideas. However, the exercise of these rights should not interfere with the overriding obligation of an institution to offer its students a sound education.

The Commission on Colleges adheres to the following fundamental characteristics of accreditation:

- Participation in the accreditation process is voluntary and is an earned and renewable status.
- Member institutions develop, amend, and approve accreditation requirements.
- The process of accreditation is representative, responsive, and appropriate to the types of institutions accredited.
- Accreditation is a form of self-regulation.
- Accreditation requires institutional commitment and engagement.
- Accreditation is based upon a peer review process.
- Accreditation requires an institutional commitment to student learning and achievement.
- Accreditation acknowledges an institution's prerogative to articulate its mission, including a religious mission, within the recognized context of higher education and its responsibility to show that it is accomplishing its mission.
- Accreditation requires institutional commitment to the concept of quality enhancement through continuous assessment and improvement.
- Accreditation expects an institution to develop a balanced governing structure designed to promote institutional integrity, autonomy, and flexibility of operation.
- Accreditation expects an institution to ensure that its programs are complemented by support structures and resources that allow for the total growth and development of its students.

ORGANIZATION OF THE COMMISSION AND THE SOUTHERN ASSOCIATION OF COLLEGES AND SCHOOLS

The Southern Association of Colleges and Schools (SACS) is a private, non-profit, voluntary organization founded in 1895 in Atlanta, Georgia. The Association is comprised of the Commission on Colleges, which accredits higher education degree-granting institutions, and the Council on Accreditation and School Improvement, which accredits elementary, middle, and secondary schools. The Commission and Council, each separately incorporated, carry out their missions with autonomy; they develop their own standards and procedures and govern themselves by a delegate assembly.

The College Delegate Assembly is comprised of one voting representative (the chief executive officer or the officer's designee) from each member institution. Its responsibilities include electing the seventy seven-member Board of Trustees of the SACS Commission on Colleges and guiding the organization's work, approving all revisions in accrediting standards as recommended by the Board, approving the dues of candidate and member institutions as recommended by the Board, electing an Appeals Committee to hear appeals of adverse accreditation decisions, and electing representatives to the Association's Board of Trustees.

The Commission's Board of Trustees is responsible for recommending to the College Delegate Assembly standards for candidacy and membership, authorizing special visits, taking final action on the accreditation status of institutions, nominating to the College Delegate Assembly individuals for election to succeed outgoing members of the Board, electing an Executive Council that will act for the Board while it is not in session, appointing *ad hoc* study committees as needed, and approving the policies and procedures of the Commission on Colleges.

The thirteen-member Executive Council is the executive arm of the Board and functions on behalf of the Commission's Board and the College Delegate Assembly between sessions. However, the actions of the Council are subject to review and approval by the Board. The Council interprets Commission policies and procedures, develops procedures for and supervises the work of *ad hoc* and standing committees of the Commission, approves goals and objectives of the Commission, reviews and approves the Commission's budget, oversees and annually evaluates the work of its president, and initiates new programs, projects, and policy proposals.

The Council receives and acts on reports from all *ad hoc* and standing committees and submits them to the Commission's Board of Trustees. In the case of institutions applying for candidacy, membership, or reaffirmation of accreditation, the Executive Council receives recommendations from the Committees on Compliance and Reports, which are the standing evaluation committees of the Commission, and, in turn, submits its recommendations to the total Board of Trustees of SACS Commission on Colleges.

THE PROCESS OF ACCREDITATION

The process for initial and continued accreditation involves a collective analysis and judgment by the institution's internal constituencies, an informed review by peers external to the institution, and a reasoned decision by the elected members of the Commission on Colleges Board of Trustees. Accredited institutions periodically conduct internal reviews involving their administrative officers, staffs, faculties, students, trustees, and others appropriate to the process. The internal review allows an institution to consider its effectiveness in achieving its stated mission, its compliance with the Commission's accreditation requirements, its efforts in enhancing the quality of student learning and the quality of programs and services offered to its constituencies, and its success in accomplishing its mission. At the culmination of the internal review, peer evaluators representing the Commission apply their professional judgment through a preliminary assessment of the institution; elected Board Members make the final determination of an institution's compliance with the accreditation requirements.

Application of the Requirements

The Commission on Colleges bases its accreditation of degree-granting higher education institutions and entities on requirements in the *Principles of Accreditation: Foundations for Quality Enhancement*. These requirements apply to all institutional programs and services, wherever located or however delivered. This includes programs offered through distance and correspondence education, off-campus sites, and branch campuses. Consequently, when preparing documents for the Commission demonstrating compliance with the *Principles of Accreditation*, an institution must include these programs in its "Institutional Summary Form Prepared for Commission Reviews" and address these programs in its analysis and documentation of compliance. (*See Commission policy "Distance and Correspondence Education."*)

For purposes of accreditation, the programs above are defined as follows:

Branch campus. A branch campus is a location of an institution that is geographically apart and independent of the main campus of the institution. A location is independent of the main campus if the location is

- permanent in nature;
- offers courses in educational programs leading to a degree, certificate, or other recognized educational credential;
- has its own faculty and administrative or supervisory organization; **and**
- has its own budgetary and hiring authority.

Correspondence education. Correspondence education is a formal educational process under which the institution provides instructional materials, by mail or electronic transmission, including examinations on the materials, to students who are separated from the instructor. Interaction between the instructor and the student is limited, is not regular and substantive, and is primarily initiated by the student; courses are typically self-paced.

Distance education. Distance education is a formal educational process in which the majority of the instruction (interaction between students and instructors and among students) in a course occurs when students and instructors are not in the same place. Instruction may be synchronous or asynchronous. A distance education course may use the internet; one-way and two-way transmissions through open broadcast, closed circuit, cable, microwave, broadband lines, fiber optics, satellite, or wireless communications devices; audio conferencing; or video cassettes, DVD's, and CD-ROMs if used as part of the distance learning course or program.

Off-campus Site. An off-campus site is an instructional site that is located geographically apart from the main campus of the institution whereby a student can obtain 50 percent or more of the coursework toward a credential. The site is not independent of the institution's main campus.

The Commission on Colleges applies the requirements of its *Principles* to all applicant, candidate, and member institutions, regardless of the type of institution: private for-profit, private not-for-profit, or public.

The Commission evaluates an institution and makes accreditation decisions based on the following:

- Compliance with the Principle of Integrity (Section 1)
- Compliance with the Core Requirements (Section 2)
- Compliance with the Comprehensive Standards (Section 3)
- Compliance with additional Federal Requirements (Section 4)
- Compliance with the policies of the Commission on Colleges (See *Appendix for definition, description, and reference to policies. Access Commission's Web page: www.sacscoc.org.)*

Components of the Review Process

The Commission conducts several types of institutional reviews: (1) Candidate Committee reviews of institutions seeking candidacy, (2) Accreditation Committee reviews of candidate institutions seeking initial membership, (3) Reaffirmation Committee reviews of member institutions seeking continued accreditation following a comprehensive review, (4) Special Committee reviews of member institutions seeking continued accreditation following evaluation of institutional circumstances that are accreditation related, and (5) Substantive Change Committee reviews of member institutions seeking approval and continued accreditation following the review of a change of a significant modification or expansion to the institution's nature and scope. Each of the above types of reviews has its own evaluation documents and peer review procedures and can be found on the Commission's Web site: www.sacscoc.org.

The process described below is specific to a member institution seeking reaffirmation of accreditation.

Preparation by the Institution

As part of the reaffirmation process, the institution will provide two separate documents.

1. Compliance Certification

The Compliance Certification, submitted approximately fifteen months in advance of an institution's scheduled reaffirmation, is a document completed by the institution that demonstrates its judgment of the extent of its compliance with each of the Core Requirements, Comprehensive Standards, and Federal Requirements. Signatures by the institution's chief executive officer and accreditation liaison are required to certify compliance. By signing the document, the individuals certify that the process of institutional self-assessment has been thorough, honest, and forthright, and that the information contained in the document is truthful, accurate, and complete.

2. Quality Enhancement Plan

The Quality Enhancement Plan (QEP), submitted four to six weeks in advance of the on-site review by the Commission, is a document developed by the institution that (1) includes a process identifying key issues emerging from institutional assessment, (2) focuses on learning outcomes and/or the environment supporting student learning and accomplishing the mission of the institution, (3) demonstrates institutional capability for the initiation, implementation, and completion of the QEP, (4) includes

broad-based involvement of institutional constituencies in the development and proposed implementation of the QEP, and (5) identifies goals and a plan to assess their achievement. The QEP should be focused and succinct (no more than seventy-five pages of narrative text and no more than twenty-five pages of supporting documentation or charts, graphs, and tables).

Review by the Commission on Colleges

1. The Off-Site Review

The Off-Site Reaffirmation Committee, composed of a chair and normally eight to ten evaluators, meets in Atlanta, Georgia, and reviews Compliance Certifications of a group of institutions to determine whether each institution is in compliance with all Core Requirements (except Core Requirement 2.12), Comprehensive Standards (except Comprehensive Standard 3.3.2), and Federal Requirements. The group of institutions evaluated, called a cluster, consists of no more than three institutions similar in governance and degrees offered. At the conclusion of the review, the Off-Site Reaffirmation Committee will prepare a separate report for each institution, recording and explaining its decisions regarding compliance. The report is forwarded to the respective institution's On-Site Reaffirmation Committee which makes its final determination on compliance.

2. The On-Site Review

Following review by the Off-Site Reaffirmation Committee, an On-Site Reaffirmation Committee will conduct a focused evaluation at the campus to finalize issues of compliance with the Core Requirements, Comprehensive Standards, and Federal Requirements; provide consultation regarding the issues addressed in the QEP; and evaluate the acceptability of the QEP. At the conclusion of its visit, the On-Site Committee will finalize the Report of the Reaffirmation Committee, a written report of its findings noting areas of non-compliance, including the acceptability of the QEP. The Report of the Reaffirmation Committee, along with the institution's response to areas of non-compliance, will be forwarded to the Commission's Board of Trustees for review and action on reaffirmation.

3. Review by the Commission's Board of Trustees

The Committees on Compliance and Reports (C & R), standing committees of the Board, review reports prepared by evaluation committees and the institutional responses to those reports. A C & R Committee's recommendation regarding an institution's reaffirmation of accreditation is forwarded to the Executive Council for review. The Executive Council recommends action to the full Board of Trustees which makes the final decision on reaffirmation and any monitoring activities that it may require of an institution. The full Board convenes twice a year.

■ SECTION 1:

The Principle of Integrity



Integrity, essential to the purpose of higher education, functions as the basic contract defining the relationship between the Commission and each of its member and candidate institutions. It is a relationship in which all parties agree to deal honestly and openly with their constituencies and with one another. Without this commitment, no relationship can exist or be sustained between the Commission and its accredited and candidate institutions.

Integrity in the accreditation process is best understood in the context of peer review, professional judgment by peers of commonly accepted sound academic practice, and the conscientious application of the *Principles of Accreditation* as mutually agreed upon standards for accreditation. The Commission's requirements, policies, processes, procedures, and decisions are predicated on integrity.

The Commission on Colleges expects integrity to govern the operation of institutions and for institutions to make reasonable and responsible decisions consistent with the spirit of integrity in all matters. Therefore, evidence of withholding information, providing inaccurate information to the public, failing to provide timely and accurate information to the Commission, or failing to conduct a candid self-assessment of compliance with the *Principles of Accreditation* and to submit this assessment to the Commission, and other similar practices will be seen as the lack of a full commitment to integrity. The Commission's policy statement "Integrity and Accuracy in Institutional Representation" gives examples of the application of the principle of integrity in accreditation activities. The policy is not all-encompassing nor does it address all possible situations. (See Commission policy "Integrity and Accuracy in Institutional Representation.") Failure of an institution to adhere to the integrity principle may result in a loss of accreditation or candidacy.

- 1.1** The institution operates with integrity in all matters. (**Integrity**)
(Note: This principle is not addressed by the institution in its Compliance Certification.)

■ SECTION 2:

Core Requirements



Core Requirements are basic, broad-based, foundational requirements that an institution must meet to be accredited with the Commission on Colleges. They establish a threshold of development required of an institution seeking initial or continued accreditation by the Commission and reflect the Commission's basic expectations of candidate and member institutions. Compliance with the Core Requirements is not sufficient to warrant accreditation or reaffirmation of accreditation. Accredited institutions must also demonstrate compliance with the Comprehensive Standards and the Federal Requirements of the *Principles*, and with the policies of the Commission.

An applicant institution seeking candidacy is required to document compliance with Core Requirements 2.1 – 2.11; Comprehensive Standards 3.3.1, 3.5.1, and 3.7.1; and Federal Requirements 4.1 – 4.9 to be authorized a Candidacy Committee or to be awarded candidacy or candidacy renewal. An applicant/candidate institution is not required to document compliance with Core Requirement 2.12 until it undergoes its first review for reaffirmation following initial accreditation. (See Commission policy “*Accreditation Procedures for Applicant Institutions.*”)

An accredited institution is required to document compliance with all Core Requirements, including Core Requirement 2.12, before it can be reaffirmed. If an institution fails to document compliance with Core Requirements at the time of reaffirmation or at the time of any review, the Commission will place the institution on sanction or take adverse action. (See Commission policy “*Sanctions, Denial of Reaffirmation, and Removal from Membership.*”)

Core Requirement 2.12 requires an institution to develop an acceptable Quality Enhancement Plan (QEP). Engaging the wider academic community, the QEP is based upon a comprehensive and thorough analysis of the effectiveness of the learning environment for supporting student learning and accomplishing the mission of the institution.

Implicit in every Core Requirement mandating a policy or procedure is the expectation that the policy or procedure is in writing and has been approved through appropriate institutional processes, published in appropriate institutional documents accessible to those affected by the policy or procedure, and implemented and enforced by the institution.

- 2.1** The institution has degree-granting authority from the appropriate government agency or agencies. (**Degree-granting authority**)
- 2.2** The institution has a governing board of at least five members that is the legal body with specific authority over the institution. The board is an

active policy-making body for the institution and is ultimately responsible for ensuring that the financial resources of the institution are adequate to provide a sound educational program. The board is not controlled by a minority of board members or by organizations or interests separate from it. Both the presiding officer of the board and a majority of other voting members of the board are free of any contractual, employment, or personal or familial financial interest in the institution.

A military institution authorized and operated by the federal government to award degrees has a public board on which both the presiding officer and a majority of the other members are neither civilian employees of the military nor active/retired military. The board has broad and significant influence upon the institution's programs and operations, plays an active role in policy-making, and ensures that the financial resources of the institution are used to provide a sound educational program. The board is not controlled by a minority of board members or by organizations or interests separate from the board except as specified by the authorizing legislation. Both the presiding officer of the board and a majority of other voting board members are free of any contractual, employment, or personal or familial financial interest in the institution. **(Governing board)**

- 2.3** The institution has a chief executive officer whose primary responsibility is to the institution and who is not the presiding officer of the board. *(See Commission policy "Core Requirement 2.3: Documenting an Alternate Approach.")*
(Chief executive officer)
- 2.4** The institution has a clearly defined, comprehensive, and published mission statement that is specific to the institution and appropriate for higher education. The mission addresses teaching and learning and, where applicable, research and public service. **(Institutional mission)**
- 2.5** The institution engages in ongoing, integrated, and institution-wide research-based planning and evaluation processes that (1) incorporate a systematic review of institutional mission, goals, and outcomes; (2) result in continuing improvement in institutional quality; and (3) demonstrate the institution is effectively accomplishing its mission. **(Institutional effectiveness)**
- 2.6** The institution is in operation and has students enrolled in degree programs. **(Continuous operation)**

2.7

- 2.7.1** The institution offers one or more degree programs based on at least 60 semester credit hours or the equivalent at the associate level; at least 120 semester credit hours or the equivalent at the baccalaureate level; or at least 30 semester credit hours or the equivalent at the post-baccalaureate, graduate, or professional level. If an institution uses a unit other than semester credit hours, it provides an explanation for the equivalency. The institution also provides a justification for all degrees that include fewer than the required number of semester credit hours or its equivalent unit. **(Program length)**
- 2.7.2** The institution offers degree programs that embody a coherent course of study that is compatible with its stated mission and is based upon fields of study appropriate to higher education. **(Program content)**
- 2.7.3** In each undergraduate degree program, the institution requires the successful completion of a general education component at the collegiate level that (1) is a substantial component of each undergraduate degree, (2) ensures breadth of knowledge, and (3) is based on a coherent rationale. For degree completion in associate programs, the component constitutes a minimum of 15 semester hours or the equivalent; for baccalaureate programs, a minimum of 30 semester hours or the equivalent. These credit hours are to be drawn from and include at least one course from each of the following areas: humanities/fine arts, social/behavioral sciences, and natural science/mathematics. The courses do not narrowly focus on those skills, techniques, and procedures specific to a particular occupation or profession. If an institution uses a unit other than semester credit hours, it provides an explanation for the equivalency. The institution also provides a justification if it allows for fewer than the required number of semester credit hours or its equivalent unit of general education courses. **(General education)**
- 2.7.4** The institution provides instruction for all course work required for at least one degree program at each level at which it awards degrees. If the institution does not provide instruction for all such course work and (1) makes arrangements for some instruction to be provided by other accredited institutions or entities through contracts or consortia or (2) uses some other alternative approach to meeting this requirement, the alternative approach must be approved by the Commission on Colleges. In both cases, the institution demonstrates that it controls all aspects of its educational program. *(See Commission policy "Core Requirement 2.7.4: Documenting an Alternate Approach.")* **(Course work for degrees)**

- 2.8** The number of full-time faculty members is adequate to support the mission of the institution and to ensure the quality and integrity of each of its academic programs.

Upon application for candidacy, an applicant institution demonstrates that it meets the comprehensive standard for faculty qualifications. **(Faculty)**

- 2.9** The institution, through ownership or formal arrangements or agreements, provides and supports student and faculty access and user privileges to adequate library collections and services and to other learning/information resources consistent with the degrees offered. Collections, resources, and services are sufficient to support all its educational, research, and public service programs. **(Learning resources and services)**

- 2.10** The institution provides student support programs, services, and activities consistent with its mission that are intended to promote student learning and enhance the development of its students. **(Student support services)**

2.11

- 2.11.1** The institution has a sound financial base and demonstrated financial stability to support the mission of the institution and the scope of its programs and services.

The member institution provides the following financial statements: (1) an institutional audit (or Standard Review Report issued in accordance with Statements on Standards for Accounting and Review Services issued by the AICPA for those institutions audited as part of a systemwide or statewide audit) and written institutional management letter for the most recent fiscal year prepared by an independent certified public accountant and/or an appropriate governmental auditing agency employing the appropriate audit (or Standard Review Report) guide; (2) a statement of financial position of unrestricted net assets, exclusive of plant assets and plant-related debt, which represents the change in unrestricted net assets attributable to operations for the most recent year; and (3) an annual budget that is preceded by sound planning, is subject to sound fiscal procedures, and is approved by the governing board.

Audit requirements for applicant institutions may be found in the Commission policy “Accreditation Procedures for Applicant Institutions.”
(Financial resources and stability)

2.11.2 The institution has adequate physical resources to support the mission of the institution and the scope of its programs and services. **(Physical resources)**

2.12 The institution has developed an acceptable Quality Enhancement Plan (QEP) that includes an institutional process for identifying key issues emerging from institutional assessment and focuses on learning outcomes and/or the environment supporting student learning and accomplishing the mission of the institution. **(Quality Enhancement Plan)**

(Note: This requirement is not addressed by the institution in its Compliance Certification.)

■ SECTION 3:

Comprehensive Standards



The Comprehensive Standards set forth requirements in the following four areas: (1) institutional mission, governance, and effectiveness; (2) programs; (3) resources; and (4) institutional responsibility for Commission policies. The Comprehensive Standards are more specific to the operations of the institution, represent good practice in higher education, and establish a level of accomplishment expected of all member institutions. If an institution is judged to be significantly out of compliance with one or more of the Comprehensive Standards, the Commission's Board of Trustees may deny reaffirmation and place the institution on a sanction or, in the case of other reviews, place the institution on a sanction. *(See Commission policy "Sanctions, Denial of Reaffirmation, and Removal from Membership.")*

A candidate institution is required to document compliance with Core Requirements 2.1-2.11, all the Comprehensive Standards (except 3.3.2), and Federal Requirements in order to be awarded initial membership.

Implicit in every Comprehensive Standard mandating a policy or procedure is the expectation that the policy or procedure is in writing and has been approved through appropriate institutional processes, published in appropriate institutional documents accessible to those affected by the policy or procedure, and implemented and enforced by the institution.

INSTITUTIONAL MISSION, GOVERNANCE, AND EFFECTIVENESS

3.1 Institutional Mission

- 3.1.1** The mission statement is current and comprehensive, accurately guides the institution's operations, is periodically reviewed and updated, is approved by the governing board, and is communicated to the institution's constituencies. **(Mission)**

3.2 Governance and Administration

- 3.2.1** The governing board of the institution is responsible for the selection and the periodic evaluation of the chief executive officer. **(CEO evaluation/selection)**
- 3.2.2** The legal authority and operating control of the institution are clearly defined for the following areas within the institution's governance structure: **(Governing board control)**

- 3.2.2.1 institution's mission;
 - 3.2.2.2 fiscal stability of the institution; and
 - 3.2.2.3 institutional policy.
- 3.2.3 The governing board has a policy addressing conflict of interest for its members. (**Board conflict of interest**)
 - 3.2.4 The governing board is free from undue influence from political, religious, or other external bodies and protects the institution from such influence. (**External influence**)
 - 3.2.5 The governing board has a policy whereby members can be dismissed only for appropriate reasons and by a fair process. (**Board dismissal**)
 - 3.2.6 There is a clear and appropriate distinction, in writing and practice, between the policy-making functions of the governing board and the responsibility of the administration and faculty to administer and implement policy. (**Board/administration distinction**)
 - 3.2.7 The institution has a clearly defined and published organizational structure that delineates responsibility for the administration of policies. (**Organizational structure**)
 - 3.2.8 The institution has qualified administrative and academic officers with the experience and competence to lead the institution. (**Qualified administrative/academic officers**)
 - 3.2.9 The institution publishes policies regarding appointment, employment, and evaluation of all personnel. (**Personnel appointment**)
 - 3.2.10 The institution periodically evaluates the effectiveness of its administrators. (**Administrative staff evaluations**)
 - 3.2.11 The institution's chief executive officer has ultimate responsibility for, and exercises appropriate administrative and fiscal control over, the institution's intercollegiate athletics program. (**Control of intercollegiate athletics**)
 - 3.2.12 The institution demonstrates that its chief executive officer controls the institution's fund-raising activities. (**Fund-raising activities**)
 - 3.2.13 For any entity organized separately from the institution and formed primarily for the purpose of supporting the institution or its programs, (1) the

legal authority and operating control of the institution is clearly defined with respect to that entity; (2) the relationship of that entity to the institution and the extent of any liability arising out of that relationship is clearly described in a formal, written manner; and (3) the institution demonstrates that (a) the chief executive officer controls any fund-raising activities of that entity or (b) the fund-raising activities of that entity are defined in a formal, written manner which assures that those activities further the mission of the institution. **(Institution-related entities)**

- 3.2.14** The institution's policies are clear concerning ownership of materials, compensation, copyright issues, and the use of revenue derived from the creation and production of all intellectual property. These policies apply to students, faculty, and staff. **(Intellectual property rights)**

3.3 Institutional Effectiveness

- 3.3.1** The institution identifies expected outcomes, assesses the extent to which it achieves these outcomes, and provides evidence of improvement based on analysis of the results in each of the following areas: **(Institutional Effectiveness)**

- 3.3.1.1** educational programs, to include student learning outcomes
- 3.3.1.2** administrative support services
- 3.3.1.3** academic and student support services
- 3.3.1.4** research within its mission, if appropriate
- 3.3.1.5** community/public service within its mission, if appropriate

- 3.3.2** The institution has developed a Quality Enhancement Plan that (1) demonstrates institutional capability for the initiation, implementation, and completion of the QEP; (2) includes broad-based involvement of institutional constituencies in the development and proposed implementation of the QEP; and (3) identifies goals and a plan to assess their achievement. **(Quality Enhancement Plan)**

(Note: This requirement is not addressed by the institution in its Compliance Certification.)

PROGRAMS

3.4 All Educational Programs

- 3.4.1 The institution demonstrates that each educational program for which academic credit is awarded is approved by the faculty and the administration. (**Academic program approval**)
- 3.4.2 The institution's continuing education, outreach, and service programs are consistent with the institution's mission. (**Continuing education/service programs**)
- 3.4.3 The institution publishes admissions policies that are consistent with its mission. (**Admissions policies**)
- 3.4.4 The institution publishes policies that include criteria for evaluating, awarding, and accepting credit for transfer, experiential learning, credit by examination, Advanced Placement, and professional certificates that are consistent with its mission and ensure that course work and learning outcomes are at the collegiate level and comparable to the institution's own degree programs. The institution assumes responsibility for the academic quality of any course work or credit recorded on the institution's transcript. (*See Commission policy "Agreements Involving Joint and Dual Academic Awards: Policy and Procedures."*) (**Acceptance of academic credit**)
- 3.4.5 The institution publishes academic policies that adhere to principles of good educational practice. These policies are disseminated to students, faculty, and other interested parties through publications that accurately represent the programs and services of the institution. (**Academic policies**)
- 3.4.6 The institution employs sound and acceptable practices for determining the amount and level of credit awarded for courses, regardless of format or mode of delivery. (**Practices for awarding credit**)
- 3.4.7 The institution ensures the quality of educational programs and courses offered through consortial relationships or contractual agreements, ensures ongoing compliance with the *Principles*, and periodically evaluates the consortial relationship and/or agreement against the mission of the institution. (*See Commission policy "Agreements Involving Joint and Dual Academic Awards: Policy and Procedures."*) (**Consortial relationships/contractual agreements**)

- 3.4.8** The institution awards academic credit for course work taken on a non-credit basis only when there is documentation that the noncredit course work is equivalent to a designated credit experience. (**Noncredit to credit**)
- 3.4.9** The institution provides appropriate academic support services. (**Academic support services**)
- 3.4.10** The institution places primary responsibility for the content, quality, and effectiveness of the curriculum with its faculty. (**Responsibility for curriculum**)
- 3.4.11** For each major in a degree program, the institution assigns responsibility for program coordination, as well as for curriculum development and review, to persons academically qualified in the field. In those degree programs for which the institution does not identify a major, this requirement applies to a curricular area or concentration. (**Academic program coordination**)
- 3.4.12** The institution's use of technology enhances student learning and is appropriate for meeting the objectives of its programs. Students have access to and training in the use of technology. (**Technology use**)

3.5 Undergraduate Educational Programs

- 3.5.1** The institution identifies college-level general education competencies and the extent to which students have attained them. (**General education competencies**)
- 3.5.2** At least 25 percent of the credit hours required for the degree are earned through instruction offered by the institution awarding the degree. (*See Commission policy "Agreements Involving Joint and Dual Academic Awards: Policy and Procedures."*) (**Institutional credits for a degree**)
- 3.5.3** The institution publishes requirements for its undergraduate programs, including its general education components. These requirements conform to commonly accepted standards and practices for degree programs. (*See Commission policy "The Quality and Integrity of Undergraduate Degrees."*) (**Undergraduate program requirements**)

- 3.5.4** At least 25 percent of the course hours in each major at the baccalaureate level are taught by faculty members holding an appropriate terminal degree—usually the earned doctorate or the equivalent of the terminal degree. (**Terminal degrees of faculty**)

3.6 Graduate and Post-Baccalaureate Professional Programs

- 3.6.1** The institution's post-baccalaureate professional degree programs, master's and doctoral degree programs, are progressively more advanced in academic content than its undergraduate programs. (**Post-baccalaureate program rigor**)
- 3.6.2** The institution structures its graduate curricula (1) to include knowledge of the literature of the discipline and (2) to ensure ongoing student engagement in research and/or appropriate professional practice and training experiences. (**Graduate curriculum**)
- 3.6.3** At least one-third of credits toward a graduate or a post-baccalaureate professional degree are earned through instruction offered by the institution awarding the degree. (*See Commission policy "Agreements Involving Joint and Dual Academic Awards: Policy and Procedures."*) (**Institutional credits for a graduate degree**)
- 3.6.4** The institution defines and publishes requirements for its graduate and post-baccalaureate professional programs. These requirements conform to commonly accepted standards and practices for degree programs. (**Post-baccalaureate program requirements**)

3.7 Faculty

- 3.7.1** The institution employs competent faculty members qualified to accomplish the mission and goals of the institution. When determining acceptable qualifications of its faculty, an institution gives primary consideration to the highest earned degree in the discipline. The institution also considers competence, effectiveness, and capacity, including, as appropriate, undergraduate and graduate degrees, related work experiences in the field, professional licensure and certifications, honors and awards, continuous documented excellence in teaching, or other demonstrated competencies and achievements that contribute to effective teaching and student learning outcomes. For all cases, the institution is responsible for justifying and documenting the qualifications of its faculty. (*See Commission guidelines "Faculty Credentials."*) (**Faculty competence**)

- 3.7.2 The institution regularly evaluates the effectiveness of each faculty member in accord with published criteria, regardless of contractual or tenured status. **(Faculty evaluation)**
- 3.7.3 The institution provides ongoing professional development of faculty as teachers, scholars, and practitioners. **(Faculty development)**
- 3.7.4 The institution ensures adequate procedures for safeguarding and protecting academic freedom. **(Academic freedom)**
- 3.7.5 The institution publishes policies on the responsibility and authority of faculty in academic and governance matters. **(Faculty role in governance)**

3.8 Library and Other Learning Resources

- 3.8.1 The institution provides facilities and learning/information resources that are appropriate to support its teaching, research, and service mission. **(Learning/information resources)**
- 3.8.2 The institution ensures that users have access to regular and timely instruction in the use of the library and other learning/information resources. **(Instruction of library use)**
- 3.8.3 The institution provides a sufficient number of qualified staff—with appropriate education or experiences in library and/or other learning/information resources—to accomplish the mission of the institution. **(Qualified staff)**

3.9 Student Affairs and Services

- 3.9.1 The institution publishes a clear and appropriate statement of student rights and responsibilities and disseminates the statement to the campus community. **(Student rights)**
- 3.9.2 The institution protects the security, confidentiality, and integrity of student records and maintains security measures to protect and back up data. **(Student records)**
- 3.9.3 The institution provides a sufficient number of qualified staff—with appropriate education or experience in the student affairs area—to accomplish the mission of the institution. **(Qualified staff)**

RESOURCES

3.10 Financial Resources

- 3.10.1 The institution's recent financial history demonstrates financial stability. (**Financial stability**)
- 3.10.2 The institution audits financial aid programs as required by federal and state regulations. (**Financial aid audits**)
- 3.10.3 The institution exercises appropriate control over all its financial resources. (**Control of finances**)
- 3.10.4 The institution maintains financial control over externally funded or sponsored research and programs. (**Control of sponsored research/external funds**)

3.11 Physical Resources

- 3.11.1 The institution exercises appropriate control over all its physical resources. (**Control of physical resources**)
- 3.11.2 The institution takes reasonable steps to provide a healthy, safe, and secure environment for all members of the campus community. (**Institutional environment**)
- 3.11.3 The institution operates and maintains physical facilities, both on and off campus, that appropriately serve the needs of the institution's educational programs, support services, and other mission-related activities. (**Physical facilities**)

INSTITUTIONAL RESPONSIBILITY FOR COMMISSION POLICIES

3.12 Responsibility for compliance with the Commission's substantive change procedures and policy.

The Commission on Colleges accredits the entire institution and its programs and services, wherever they are located or however they are delivered. Accreditation, specific to an institution, is based on conditions existing at the time of the most recent evaluation and is not transferable to other institutions or entities.

When an accredited institution significantly modifies or expands its scope, changes the nature of its affiliation or its ownership, or merges with another institution, a substantive change review is required. The Commission is responsible for evaluating all substantive changes to assess the impact of the change on the institution's compliance with defined standards. If an institution fails to follow the Commission's procedures for notification and approval of substantive changes, its total accreditation may be placed in jeopardy. (*See Commission policy "Substantive Change for Accredited Institutions."*) If an institution is unclear as to whether a change is substantive in nature, it should contact Commission staff for consultation.

An applicant, candidate, or member institution in litigation with the Commission may not undergo substantive change.

- 3.12.1** The institution notifies the Commission of changes in accordance with the Commission's substantive change policy and, when required, seeks approval prior to the initiation of changes. (**Substantive change**)

3.13 Responsibility for compliance with other Commission policies.

The Commission's philosophy of accreditation precludes denial of membership to a degree-granting institution of higher education on any ground other than an institution's failure to meet the requirements of the *Principles of Accreditation* in the professional judgment of peer reviewers, or failure to comply with the policies of the Commission. (*See Commission Web site for all current Commission policies: www.sacscoc.org*)

3.13.1 The institution complies with the policies of the Commission on Colleges. **(Policy compliance)**

(Note: In the Compliance Certification, Fifth-Year Interim Report, and prospectus or application for substantive change, the institution will be required to address specific Commission policies.)

3.14 Representation of status with the Commission.

The institution publishes the name of its primary accreditor and its address and phone number in accordance with federal requirements. Institutions should indicate that normal inquiries about the institution, such as admission requirements, financial aid, educational programs, etc., should be addressed directly to the institution and not to the Commission's office. In such a publication or Web site, the institution should indicate that the Commission is to be contacted *only* if there is evidence that appears to support an institution's significant non-compliance with a requirement or standard. The institution is expected to be accurate in reporting to the public its status with the Commission. In order to meet these requirements, the institution lists the name, address, and telephone number in its catalog or Web site using one of the following statements:

(Name of member institution) is accredited by the Southern Association of Colleges and Schools Commission on Colleges to award (name specific degree levels, such as associate, baccalaureate, masters, doctorate). Contact the Commission on Colleges at 1866 Southern Lane, Decatur, Georgia 30033-4097 or call 404-679-4500 for questions about the accreditation of (name of member institution).

(Name of candidate institution) is a candidate for accreditation with the Southern Association of Colleges and Schools Commission on Colleges to award (name specific degree levels, such as associate, baccalaureate, masters, doctorate). Contact the Commission on Colleges at 1866 Southern Lane, Decatur, Georgia 30033-4097 or call 404-679-4500 for questions about the status of (name of member institution).

No statement may be made about the possible future accreditation status with the Commission on Colleges of the Southern Association of Colleges and Schools, nor may an institution use the logo or seal of the Southern Association in any of its publications or documents.

- 3.14.1** A member or candidate institution represents its accredited status accurately and publishes the name, address, and telephone number of the Commission in accordance with Commission requirements and federal policy. (**Publication of accreditation status**)

■ SECTION 4:

Federal Requirements



The U.S. Secretary of Education recognizes accreditation by SACS Commission on Colleges in establishing the eligibility of higher education institutions to participate in programs authorized under Title IV of the *Higher Education Act*, as amended, and other federal programs. Through its periodic review of institutions of higher education, the Commission assures the public that it is a reliable authority on the quality of education provided by its member institutions.

The federal statute includes mandates that the Commission review an institution in accordance with criteria outlined in the federal regulations developed by the U.S. Department of Education. As part of the review process, institutions are required to document compliance with those criteria and the Commission is obligated to consider such compliance when the institution is reviewed for initial membership or continued accreditation.

Implicit in every Federal Requirement mandating a policy or procedure is the expectation that the policy or procedure is in writing and has been approved through appropriate institutional processes, published in appropriate institutional documents accessible to those affected by the policy or procedure, and implemented and enforced by the institution.

- 4.1** The institution evaluates success with respect to student achievement consistent with its mission. Criteria may include: enrollment data; retention, graduation, course completion, and job placement rates; state licensing examinations; student portfolios; or other means of demonstrating achievement of goals. (**Student achievement**)
- 4.2** The institution's curriculum is directly related and appropriate to the mission and goals of the institution and the diplomas, certificates, or degrees awarded. (**Program curriculum**)
- 4.3** The institution makes available to students and the public current academic calendars, grading policies, and refund policies. (**Publication of policies**)
- 4.4** Program length is appropriate for each of the institution's educational programs. (**Program length**)
- 4.5** The institution has adequate procedures for addressing written student complaints and is responsible for demonstrating that it follows those procedures when resolving student complaints. (*See Commission policy "Complaint Procedures against the Commission or its Accredited Institutions."*) (**Student complaints**)

- 4.6** Recruitment materials and presentations accurately represent the institution's practices and policies. (**Recruitment materials**)
- 4.7** The institution is in compliance with its program responsibilities under Title IV of the most recent *Higher Education Act* as amended. (In reviewing the institution's compliance with these program responsibilities, the Commission relies on documentation forwarded to it by the U.S. Department of Education.) (**Title IV program responsibilities**)
- 4.8** An institution that offers distance or correspondence education documents each of the following: (**Distance and correspondence education**)
- 4.8.1** demonstrates that the student who registers in a distance or correspondence education course or program is the same student who participates in and completes the course or program and receives the credit by verifying the identity of a student who participates in class or coursework by using, at the option of the institution, methods such as (a) a secure login and pass code, (b) proctored examinations, or (c) new or other technologies and practices that are effective in verifying student identification.
 - 4.8.2** has a written procedure for protecting the privacy of students enrolled in distance and correspondence education courses or programs.
 - 4.8.3** has a written procedure distributed at the time of registration or enrollment that notifies students of any projected additional student charges associated with verification of student identity.
- 4.9** The institution has policies and procedures for determining the credit hours awarded for courses and programs that conform to commonly accepted practices in higher education and to Commission policy. (*See Commission policy "Credit Hours."*) (**Definition of credit hours**)

■ APPENDIX:

Commission Policy, Guidelines, Good Practice Statements, and Position Statements



COMMISSION POLICIES

Definition: A policy is a required course of action to be followed by the Commission on Colleges or its member or candidate institutions. Commission policies may also include procedures, which are likewise a required course of action to be followed by the Commission on Colleges or its member or candidate institutions. The *Principles of Accreditation* requires that an institution comply with the policies and procedures of the Commission. Policies are approved by vote of the Commission's Board of Trustees. At its discretion, the Board may choose to forward a policy to the College Delegate Assembly for approval.

Examples of policy topics include substantive change, standing rules, procedures for applicant institutions, special committee procedures, sanctions and adverse actions, appeals procedures, etc. All policies are available on the Commission's Web page (www.sacscoc.org). The Commission maintains currency on the Web and reserves the right to add, modify, or delete any of the policies listed.

COMMISSION GUIDELINES

Definition: A guideline is an advisory statement designed to assist institutions in fulfilling accreditation requirements. As such, guidelines describe recommended educational practices for documenting requirements of the *Principles of Accreditation* and are approved by the Executive Council. The guidelines are examples of commonly accepted practices that constitute compliance with the standard. Depending upon the nature and mission of the institution, however, other approaches may be more appropriate and also provide evidence of compliance.

Examples of guideline topics include advertising, student recruitment, contractual relationships, travel and committee visits, faculty credentials, etc. All guidelines are available on the Commission's Web page (www.sacscoc.org). The Commission maintains currency on the Web and reserves the right to add, modify, or delete any of the guidelines listed.

COMMISSION GOOD PRACTICES

Definition: Good practices are commonly-accepted practices within the higher education community which enhance institutional quality. Good practices may be formulated by outside agencies and organizations and endorsed by the Executive

Council or the Commission's Board of Trustees. Good practice documents are available on the Commission's Web page (*www.sacscoc.org*). The Commission maintains currency on the Web and reserves the right to add, modify, or delete any of those listed.

COMMISSION POSITION STATEMENTS

Definition: A position statement examines an issue facing the Commission's membership, describes appropriate approaches, and states the Commission's stance on the issue. It is endorsed by the Executive Council or the Commission's Board of Trustees. Position statements are available on the Commission's Web page (*www.sacscoc.org*). The Commission maintains currency on the Web and reserves the right to add, modify, or delete any of those listed.