

([Sept 5, 2016]

Dear Bob [Hughes],

I am writing to express deep concern about today's hastily called meeting of the University of Louisville Foundation Executive Committee. I learned of this meeting late yesterday, and of the agenda this morning. I have not been provided any information on the personnel matters to be discussed, and at the time of writing have not received a copy of the RFP mentioned in the agenda. This hastily called meeting on a holiday weekend feeds the broadly held perception of a lack of transparency, and runs counter to the work we are doing to restore public confidence in the Foundation as well as the University of Louisville. I was very troubled by the letter from the James R. Brown Foundation, one of our most generous and loyal supporters. I fully endorse their recommendation for an independent and thorough forensic audit of the UofL Foundation by a national firm. Just this afternoon we received a similar letter from another very important donor group, the C. E. and S. Foundation. This letter states the intention to withhold donations to UofL, the UofL Foundation and other University entities until the forensic audit is complete. The escalating gravity of the matter, with its potential for devastating impact on the university's mission, dictates that the full board of the Foundation deliberate on the appropriate actions that must be taken to address these concerns, not just the Executive Committee. It is also very important to consult with the state auditor's office as we move forward with this important work. With my obligation to act in the best interests of the University of Louisville, I intend to ask Foundation board members to join me in seeking a third-party forensic audit to restore the public's faith in the Foundation. While no particulars have been provided on the personnel matters to be discussed, I have read in news reports of a possible discussion on Dr. Jim Ramsey's employment contract with the Foundation. Dr. Ramsey's Employment Agreement with the Foundation is clear. His employment by the Foundation, his salary and bonuses, and any and all other rights and benefits under his Foundation contract are to terminate upon his resignation as President of the University. Dr. Ramsey resigned as President of the University on July 28, 2016. It is the Foundation's responsibility to provide Dr. Ramsey with formal notice that his Employment Agreement with the Foundation has ended, effective immediately. As the Acting President of the University, I am required to ensure the responsible use of resources entrusted to us, which include the resources of the University of Louisville Foundation. While I respect the good work that Dr. Ramsey accomplished during his tenure as President, he is not entitled to a settlement payment from the Foundation. To provide him with a settlement payment is not in keeping with the terms of his contract or our obligation to use the assets of the Foundation for the exclusive benefit of the University's mission. With the ongoing cuts in state funding, the UofL Foundation has never been more vital to the University of Louisville. Our donors, alumni, students, faculty and staff – along with the taxpayers of Kentucky – have a right to know how every dollar of Foundation funds is being spent. I look forward to working with you and other members of the Foundation Board to ensure that we meet these expectations. Sincerely, Neville [Pinto]