
NEIGHBORHOOD DEVELOPMENT FUND
Not-for-Profit Transmittal and Approval Form

Applicant/Program: University of Louisville Research Foundation, Inc/ Culturally Responsive Child Literacy Program
Applicant Requested Amount: \$5,000
Appropriation Request Amount: \$5,000

Executive Summary of Request

Funding will be spent on age and culturally appropriate children's books and literacy activities. Literacy activities include a collaboration with Play Cousins to provide volunteer readers in the waiting rooms, literacy games, toys and modeling of family engagement.

Is this program/project a fundraiser?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is this applicant a faith based organization?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does this application include funding for sub-grantee(s)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

I have reviewed the attached Neighborhood Development Fund Application and have found it complete and within Metro Council guidelines and request approval of funding in the following amount(s). I have read the organization's statement of public purpose to be furthered by the funds requested and I agree that the public purpose is legitimate. I have also completed the disclosure section below, if required.

<u> </u>	<u>Barbara Shenkin</u>	<u>\$5,000</u>	<u>Sep 7, 2018</u>
District #	Primary Sponsor Signature	Amount	Date

Primary Sponsor Disclosure

List below any personal or business relationship you, your family or your legislative assistant have with this organization, its volunteers, its employees or members of its board of directors.

N/A

Approved by:

_____	_____
Appropriations Committee Chairman	Date
Final Appropriations Amount: _____	

Applicant/Program:

University of Louisville Research Foundation, Inc/ Culturally Responsive Child Literacy Program

Additional Disclosure and Signatures

Additional Council Office Disclosure

List below any personal or business relationship you, your family or your legislative assistant have with this organization, its volunteers, its employees or members of its board of directors.

N/A

Council Member Signature and Amount

District 1	_____	\$ _____
District 2	_____	\$ _____
District 3	_____	\$ _____
District 4	_____	\$ _____
District 5	_____	\$ _____
District 6	_____	\$ _____
District 7	_____	\$ _____
District 8	_____	\$ _____
District 9	_____	\$ _____
District 10	_____	\$ _____
District 11	_____	\$ _____
District 12	_____	\$ _____
District 13	_____	\$ _____
District 14	_____	\$ _____
District 15	_____	\$ _____

Applicant/Program:

University of Louisville Research Foundation, Inc/ Culturally Responsive Child Literacy Program

Additional Disclosure and Signatures

Additional Council Office Disclosure

List below any personal or business relationship you, your family or your legislative assistant have with this organization, its volunteers, its employees or members of its board of directors.

N/A

District 16 _____ \$ _____

District 17 _____ \$ _____

District 18 _____ \$ _____

District 19 _____ \$ _____

District 20 _____ \$ _____

District 21 _____ \$ _____

District 22 _____ \$ _____

District 23 _____ \$ _____

District 24 _____ \$ _____

District 25 _____ \$ _____

District 26 _____ \$ _____

**LOUISVILLE METRO COUNCIL
NEIGHBORHOOD DEVELOPMENT FUND APPLICATION**

Legal Name of Applicant Organization University of Louisville Research Foundation, Inc

Program Name and Request Amount Culturally Responsive Child Literacy Program \$5,000

	Yes/No/NA
Is the NDF Transmittal Sheet Signed by all Council Member(s) Appropriating Funding?	<input type="checkbox"/> Yes
Is the funding proposed by Council Member(s) less than or equal to the request amount?	<input type="checkbox"/> Yes
Is the proposed public purpose of the program viable and well-documented?	<input type="checkbox"/> Yes
Will all of the funding go to programs specific to Louisville/Jefferson County?	<input type="checkbox"/> Yes
Has Council or Staff relationship to the Agency been adequately disclosed on the cover sheet?	<input type="checkbox"/> N/A
Has prior Metro Funds committed/granted been disclosed?	<input type="checkbox"/> Yes
Is the application properly signed and dated by authorized signatory?	<input type="checkbox"/> Yes
Is proof of Tax Exempt status of 501(c) 3, 4, 6, 19, 1120-H included?	<input type="checkbox"/> Yes
If Metro funding is for a separate taxing district is the funding appropriated for a program outside the legal responsibility of that taxing district?	<input type="checkbox"/> No
Is the entity in good standing with: ▶ Kentucky Secretary of State? ▶ Louisville Metro Revenue Commission? ▶ Louisville Metro Government? ▶ Internal Revenue Service? ▶ Louisville Metro Human Relations Commission?	<input type="checkbox"/> Yes
Is the current Fiscal Year Budget included?	<input type="checkbox"/> Yes
Is the entity's board member list (with term length/term limits) included?	<input type="checkbox"/> Yes
Is recommended funding less than 33% of total agency operating budget?	<input type="checkbox"/> Yes
Does the application budget reflect only the revenue and expenses of the project/program?	<input type="checkbox"/> Yes
Is the cost estimate(s) from proposed vendor (if request is for capital expense) included?	<input type="checkbox"/> No
Is the most recent annual audit (if required by organization) included?	<input type="checkbox"/> Yes
Is a copy of Signed Lease (if rent costs are requested) included?	<input type="checkbox"/> N/A
Is the Supplemental Questionnaire for churches/religious organizations (if requesting organization is faith-based) included?	<input type="checkbox"/> N/A
Are the Articles of Incorporation of the Agency included?	<input type="checkbox"/> Yes
Is the IRS Form W-9 included?	<input type="checkbox"/> Yes
Is the IRS Form 990 included?	<input type="checkbox"/> Yes
Are the evaluation forms (if program participants are given evaluation forms) included?	<input type="checkbox"/> No
Affirmative Action/Equal Employment Opportunity plan and/or policy statement included (if required to do so)?	<input type="checkbox"/> N/A
Has the Agency agreed to participate in the BBB Charity review program? If so, has the applicant met the BBB Charity Review Standards?	<input type="checkbox"/> No
Prepared by: Rickey Smith	Date: Sep 7, 2018

UNIVERSITY OF LOUISVILLE RESEARCH FOUNDATION, INC.**General Information**

Organization Number	0180002
Name	UNIVERSITY OF LOUISVILLE RESEARCH FOUNDATION, INC.
Profit or Non-Profit	N - Non-profit
Company Type	KCO - Kentucky Corporation
Status	A - Active
Standing	G - Good
State	KY
File Date	7/26/1983
Organization Date	7/26/1983
Last Annual Report	5/22/2018
Principal Office	UNIVERSITY OF LOUISVILLE OFFICE OF UNIVERSITY COUNSEL LOUISVILLE, KY 40292
Registered Agent	DAVID D. KING UNIVERSITY OF LOUISVILLE 2301 S. THIRD STREET LOUISVILLE, KY 40292

Current Officers

Chairman	<u>James Rogers</u>
President	<u>Neeli Bendapudi</u>
Vice Chairman	<u>Sandra Frazier</u>
Secretary	<u>Bonita Black</u>
Treasurer	<u>Mary Nixon</u>
Director	<u>Gregory Postel</u>
Director	<u>Robert Keynton</u>
Director	<u>Beth Boehm</u>

Individuals / Entities listed at time of formation

Director	<u>MR DANIEL D BRISCOE</u>
Director	<u>MR ROBERT L COCHRAN</u>
Director	<u>MR GEORGE E FISCHER</u>
Director	<u>MR GENE P GARDNER</u>
Director	<u>L NORBERT L BLUME</u>
Incorporator	<u>DONALD C SWAIN PHD</u>

Images available online

Documents filed with the Office of the Secretary of State on September 15, 2004 or thereafter are available as scanned images or PDF documents. Documents filed prior to September 15, 2004 will become available as the images are created.

<u>Annual Report</u>	5/22/2018	1 page	<u>PDF</u>
<u>Registered Agent name/address change</u>	5/8/2018 9:57:09 AM	1 page	<u>PDF</u>

LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

SECTION 1 – APPLICANT INFORMATION			
Legal Name of Applicant Organization: University of Louisville Research Foundation, Inc <small>(as listed on: http://www.sos.ky.gov/business/records)</small>			
Main Office Street & Mailing Address: 300 E Market Street, Ste 300, Louisville, Ky 40202			
Website: http://louisville.edu			
Applicant Contact:	Veronnie Fays Jones MD	Title:	Professor
Phone:	502-852-7159	Email:	vfjone01@louisville.edu
Financial Contact:	Karen Roberts	Title:	Assistant Director of Finance
Phone:	502-852-8608	Email:	ksrobe01@louisville.edu
Organization's Representative who attended NDF Training: <i>Gail Wilmes</i>			
GEOGRAPHICAL AREA(S) WHERE PROGRAM ACTIVITIES ARE (WILL BE) PROVIDED			
Program Facility Location(s): 411 E. Chestnut St Louisville Ky			
Council District(s): <i>4</i>		Zip Code(s): <i>40202</i>	
SECTION 2 – PROGRAM REQUEST & FINANCIAL INFORMATION			
PROGRAM/PROJECT NAME: Culturally Responsive Child Literacy Program			
Total Request: (\$) 5,000		Total Metro Award (this program) in previous year: (\$) 0	
Purpose of Request (check all that apply): <input type="checkbox"/> Operating Funds (generally cannot exceed 33% of agency's total operating budget) <input checked="" type="checkbox"/> Programming/services/events for direct benefit to community or qualified individuals <input type="checkbox"/> Capital Project of the organization (equipment, furnishing, building, etc)			
The Following are Required Attachments:			
<input checked="" type="checkbox"/> IRS Exempt Status Determination Letter <input checked="" type="checkbox"/> Current year projected budget <input checked="" type="checkbox"/> Current financial statement <input checked="" type="checkbox"/> Most recent IRS Form 990 or 1120-H <input checked="" type="checkbox"/> Articles of Incorporation (current & signed) Cost estimates from proposed vendor if request is for capital expense		Signed lease if rent costs are being requested <input checked="" type="checkbox"/> IRS Form W9 Evaluation forms if used in the proposed program <input checked="" type="checkbox"/> Annual audit (if required by organization) Faith Based Organization Certification Form, if applicable	
For the current fiscal year ending June 30, list all funds appropriated and/or received from Louisville Metro Government for this or any other program or expense, including funds received through Metro Federal Grants, from any department or Metro Council Appropriation (Neighborhood Development Funds). Attach additional sheet if necessary.			
Source:	Louisville Co Metro Government	Amount: (\$)	125,000
Source:	Louisville Metro Youth Detention	Amount: (\$)	125,000
Source:		Amount: (\$)	
Has the applicant contacted the BBB Charity Review for participation? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Has the applicant met the BBB Charity Review Standards? <input type="checkbox"/> Yes <input type="checkbox"/> No			

Applicant's Initials *GW*

LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

SECTION 3 – AGENCY DETAILS

Describe Agency's Vision, Mission and Services:

The University of Louisville pursues excellence and inclusiveness in its work to educate and serve its community through: teaching diverse undergraduate, graduate, and professional students in order to develop engaged citizens, leaders, and scholars, practicing and applying research, scholarship and creative activity, and providing engaged service and outreach that improve the quality of life for local and global communities.

The Department of Pediatrics at the University of Louisville exists to meet the health-related needs of children within environments that each child and family can perceive as safe. We serve this mission through excellence in clinical care, medical education, pediatric research and community engagement, while inclusive of all.

Its' vision is to be:

An inclusive environment that nurtures diversity among its faculty, staff and trainees as it pursues its missions;

A center of excellence in children's healthcare, in partnership with Norton Children's Hospital through provision of evidence based, patient-centered, high quality, high value diagnostic, therapeutic, and preventive health services;

Outstanding and innovative educators for our pediatrics residency training program, medical student rotations, and fellowship programs, with a faculty that models effective work-life balance;

A national leader in pediatric clinical/clinical translational trials, health services research, and education research, and a substantial contributor to basic science knowledge in childhood diabetes and neurosciences; and

Known for principled advocacy for children's health and health equity and for community engagement and global health efforts that improve the lives of all in our city, our state, and beyond.

UofL Pediatrics – Downtown has been providing care for Louisville's children for over 25 years. Formerly known as the Children and Youth Project, the pediatricians and providers at UofL Pediatrics – Downtown provide compassionate, individualized care to patients and their families. We are advocates for children and our family-centered approach to care allows us to partner with parents to deliver the best possible preventative and wellness treatments. Our pediatricians address the full spectrum of diseases and medical conditions for infants, children and adolescents

LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

SECTION 4. BOARD OF DIRECTORS AND PAID STAFF

Board Member	Term End Date
Neeli Bendepudi President	N/A
John Smith	7/9/2019
Bonita Black	1/13/2020
Beth Boehm Vice President	N/A
Raymond M. Burse	1/13/2019
Sandra Frazier	1/13/2021
J. David Grisson	1/13/2023
Joseph Han Vice President	N/A
Dan Durbin Vice President	N/A
Rob Keynton Vice President	N/A
Mary Nixon	1/13/2024
Gregory Postal Vice Present	N/A
James M. Rogers, Chairman	1/13/2024
Nitin Sahney	1/13/2021
Jonathan Fuller	7/30/2019
Enid Trucios-Haynes	9/6/2018
Ronald Wright	1/13/2019

Describe the Board term limit policy:

The government of the Corporation shall be vested in a Board of Directors composed of the members of the Board of Trustees of the University of Louisville and the following officers of the University of Louisville: the President* and the Chief Business Officer**, the Chief Financial Officer***, the Chief Academic Officer†, and the Chief Research Officer†† designated by the President of the University who shall be Vice Presidents of the Corporation. The Chairman, Vice Chairman, Secretary, Treasurer, and the four Vice Presidents shall be elected annually by the Board of Directors. The term of each Director shall be coterminous with service on the Board of Trustees of the University of Louisville or as President, Chief Business Officer, the Chief Financial Officer, Chief Academic Officer, or Chief Research Officer of the University of Louisville as the case may be.

Three Highest Paid Staff Names	Annual Salary
Gregory Postal	950,000
Dan Durbin	415,000
Beth Boehm	350,000

Applicant's initials *GP*

Effective May 2016

SECTION 5 – PROGRAM/PROJECT NARRATIVE

A: Describe the program/project start and end dates, a description of the program/project and applicable data with regards to specific client population the program will address (attach related flyers, planning minutes, designs, event permits, proposals for services/goods, etc.):

The UL Pediatrics – Downtown Clinic is an urban general pediatric clinic. It is a training site for 40 residents and medical students. In 1993, an early literacy program was initiated, modeled after the Reach Out and Read (ROR) program (Needlman, et al., 1991). The program consisted of early literacy promotion in the anticipatory guidance given at well-child visits starting at 2 months old. At each visit, the physician provided an age-appropriate book to take home and suggestions for how, when, and where to share the book with their children. Opportunities for parents to observe interactive reading were provided in the waiting room; however, the programming was and continues to be “hit and miss” at best. Given that families wait an average of 38 minutes to move to an examination room (and sometimes as long as an hour), the waiting room is an ideal community space in which to affect children’s literacy learning and to educate caregivers about books and reading aloud.

The patient population is made-up of predominantly Medicaid recipients (95%), including children who self-identify as African-American (46%), Caucasian (36%), other (18%) and Hispanic/Latino (3%) and speak a variety of languages (25 in the past year). Within the last year, there were almost 17,000 visits to the clinic. Children 5 years and younger made up the majority of visits last year (42%), followed by children 6-10 years of age (27%), and children 11 years and older (31%).

In Louisville, alarming statistics about Black boys’ futures include a 54.24% homicide rate, compared to 15.55% for all boys, and 59.6% employment at 16-24 years of age compared to 78.5% (<https://metrounitedway.org/servlet/eAndar.article/785>). Academically, only about one in four African American male students in JCPS is proficient in core subjects (Munoz, 2016); 9.3% African American boys are at or above proficiency in 4th-grade reading, compared to 29.2% for all boys, and it drops to 7/2% by 8th grade, when 24.8% of all boys are at or above proficiency. This study will document the effects of the volunteer read aloud program on the Black men who may have had to navigate these realities themselves. Study of the effects of being a Black male volunteer reader is nonexistent in the literature.

Access to print resources—primarily books—is widely understood to have long-term effects on children’s vocabulary, background knowledge, and comprehension skills (Allington, et al., 2010). Reading aloud is particularly important: “The humble act of reading a book to a young child has repeatedly been found to have remarkable power” (Dickinson, et al., 2012, p. 1). However, children from low-income, immigrant, and English learner families, are less likely to have access to books, and to be read to at home. Newman & Moland (2016) found low-income neighborhoods are “book deserts,” and Festa, et al. (2014) documented that book sharing is less likely in immigrant families. Jones, et al. (2000) found improved family literacy orientation when an inner-city pediatric clinic provided books and literacy education for families.

Even if children like those who receive medical care at the UL Pediatric Clinic have more access to books in general, over 85% of all children’s books published feature white characters and are written and illustrated by white authors and artists (CCBC, 2014; Thomas, 2016). Young readers need and deserve to

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Applicant's Initials OL

see themselves and their community's worldviews reflected in the illustrations, characters, and story lines, in high quality children's literature. As the most noted scholar of African American children's literature, Rudine Sims Bishop explains, "When diversity is absent from the literature we share with children, those who are left out infer that they are undervalued in our society, and those whose lives are constantly reflected gain a false sense of their own importance, a sense that they are the privileged 'norm'" (2016, p. 120).

RS

B: Describe specifically how the funding will be spent including identification of funding to sub grantee(s):

Funding will be spent on age and culturally- appropriate children's book and literacy activities. Literacy activities include a collaboration with Play Cousins to provide volunteer readers in the waiting rooms, literacy games, toys, and modeling of family engagement.

Professional service contracts are with Play Cousins.

Current book list includes:

- Ada, Alma Flor, & Elivia Savadier. *I Love Saturdays Y Domingos*. New York, NY: Atheneum Books for Young Readers, 2004.
- Angelou, Maya, & Margaret Courtney-Clarke. *My Painted House, My Friendly Chicken, and Me*. New York, NY: Crown, 2011.
- Barnwell, Ysaye M., and Synthia Saint James. *No Mirrors in My Nana's House*. Orlando, FL: Harcourt, 2005.
- Beaty, Andrea. *Ada Twist, Scientist*. New York, NY: Abrams for Young Readers, 2016.
- Bennett, Kelly, & Noah Jones. *Not Norman a Goldfish Story*. Cambridge, MA: Candlewick, 2008.
- Brown, Marc Tolon. *Marc Brown's Playtime Rhymes: A Treasury for Families to Learn and Play Together*. New York, NY: Little, Brown, 2013.
- Brown, Monica, David Diaz, & Adriana Dominguez. *Maya's Blanket*. New York, NY: Children's Book, an Imprint of Lee & Low, 2015.
- Campoy, F. Isabel, Theresa Howell, and Rafael Lopez. *Maybe Something Beautiful*. Boston, MA: Houghton Mifflin Harcourt, 2016.
- Cunnane, Kelly, & Hoda Hadadi. *Deep in the Sahara*. New York, NY: Schwartz & Wade, 2013.
- Clifton, Lucille, & Brinton Turkle. *The Boy Who Didn't Believe in Spring*. New York, NY: Puffin, 1992.
- Coles, Robert, & George Ford. *The Story of Ruby Bridges*. New York, NY: Scholastic, 2010.
- Cooke, Trish, & Paul Howard. *Full, Full, Full of Love*. Cambridge, MA: Candlewick, 2008.
- Cooke, Trish, and Helen Oxenbury. *So Much!* London: Walker, 2008.
- de la Pena, Matt, & Christian Robinson. *Last Stop on Market Street*. London: Puffin, 2017.
- Evans, Shane. *We March*. New York, NY: Square Fish, 2016.
- Fox, Mem, & Leslie Staub. *Whoever You Are*. Orlando, FL: Voyager, 2006.
- Frame, Jeron Ashford., & R. Gregory Christie. *Yesterday I Had the Blues*. Berkley, CA: Tricycle, 2008.
- Greenfield, Eloise, Diane Dillon, & Leo Dillon. *Honey, I Love, and Other Poems*. New York, NY: HarperCollins, 2003.
- Greenfield, Eloise, & Jan Spivey. *Gilchrist. Night on Neighborhood Street*. New York, NY: Puffin, 1999.
- Greenfield, Eloise, & Floyd Cooper. *Grandpa's Face*. New York, NY: PaperStar, 1996.
- Grimes, Nikki, & Bryan Collier. *Barack Obama: Son of Promise, Child of Hope*. New York, NY: Simon & Schuster, 2012.

Guy, Ginger Foglesong, & Sharon Glick. Perros! Perros! = Dogs! Dogs! New York, NY: Green Willow, 2006.

Hamilton, Virginia, Leo Dillon, & Diane Dillon. The People Could Fly: The Picture Book. New York, NY: Dragonfly, 2015.

Havill, Juanita, & Anne Sibley O'Brien. Jamaica's Find. Boston, MA: Houghton Mifflin, 2009.

Hesse, Karen, & Jon J. Muth. Come On, Rain! New York, NY: Scholastic, 1999.

hooks, bell, & Christopher Raschka. Skin Again. New York, NY: Hyperion for Children, 2017.

hooks, bell, & Christopher Raschka. Be Boy Buzz. Los Angeles: Disney, Jump at the Sun, 2017.

Hughes, Langston, & Charles R. Smith. My People. New York, NY: Atheneum for Young Readers, 2009.

Isadora, Rachel. Yo, Jo! New York, NY: Harcourt, 2008.

Isadora, Rachel. Rapunzel. New York, NY: G.P. Putnam's Sons, 2008.

Isadora, Rachel. Ben's Trumpet. New York, NY: Greenwillow, 1991.

Johnson, Angela, & Rhonda Mitchell. Daddy Calls Me Man. New York, NY: Orchard, 2000.

Johnson, Angela. When I Am Old With You. New York, NY: Scholastic, 1993.

Johnson, Angela, & James Ransome. Do like Kyla. New York, NY: Scholastic, 1993.

Khan, Hena, & Mehrdokht Amini. Golden Domes and Silver Lanterns: A Muslim Book of Colors. San Francisco: Chronicle, 2012.

Khan, Rukhsana, & Sophie Blackall. Big Red Lollipop. New York, NY: Scholastic, 2012.

Krull, Kathleen, & David Diaz. Wilma Unlimited: How Wilma Rudolph Became the World's Fastest Woman. San Diego: Harcourt, 2000.

Lee, Spike, Tonya Lewis Lee, & Kadir Nelson. Please, Baby, Please. New York, NY: Little Simon, 2007.

Manning, Maurie. Kitchen Dance. New York, NY: Scholastic, 2010.

Martin, Bill, John Archambault, & Ted Rand. Here Are My Hands. New York, NY: Henry Holt, 1998.

McQuinn, Anna, & Rosalind Beardshaw. Lola at the Library. Watertown, MA: Charlesbridge, 2009.

McQuinn, Anna, Rosalind Beardshaw, & Yanitzia Canetti. Lola Reads to Leo. Watertown, MA: Charlesbridge, 2017.

Miller, William. Richard Wright and the Library Card. New York, NY: Lee & Low Books, 1997.

Morales, Yuyi. Nino Wrestles the World. New York, NY: Square Fish/Roaring Brook, 2015.

Morrison, Toni & Slade Morrison. Peeny Butter Fudge. New York, NY: Simon & Schuster, 2003.

Myers, Christopher, & Dion Graham. H.O.R.S.E.: A Game of Basketball and Imagination. New York, NY: Live Oak Media, 2014.

Myers, Christopher. Wings. New York, NY: Scholastic, 2002.

Myers, Walter Dean, and Christopher Myers. Looking like Me. Edgmont, 2009.

Nelson, Kadir. Nelson Mandela. New York, NY: Katherine Tegen, 2013.

Nelson, Kadir. He's Got the Whole World in His Hands. New York, NY: Scholastic, 2013.

Pinkney, J. Brian. Jojo's Flying Side Kick. Aladdin, 1998.

Pinkney, J. Brian. Max Found Two Sticks. New York, NY: Scholastic, 1994.

Pinkney, Sandra L., & Myles C. Pinkney. Shades of Black: A Celebration of Our Children. New York: Scholastic, 2006.

Raschka, Chris. Charlie Parker Played Be Bop. New York, NY: Orchard, 2004.

Raschka, Chris. Everyone Can Learn to Ride a Bicycle. New York, NY: Schwartz & Wade, 2014.

Ringgold, Faith. Counting to Tar Beach. New York, NY: Crown, 1999.

- Ryan, Pam Munoz & Selznick, Brian. When Marian Sang. Scholastic, 2002.
- Tafolla, Carmen, & Magaly Morales. What Can You Do with a Paleta? New York, NY: Dragonfly, 2014.
- Tamar, Erika. The Garden of Happiness. San Diego: Harcourt Brace, 1996.
- Tonatiuh, Duncan. Pancho Rabbit and the Coyote: A Migrant's Tale. New York, NY: Abrams for Young Readers, 2013.
- Williams, Vera B. "More, More More," Said the Baby: 3 Love Stories. New York, NY: Greenwillow, 1997.
- Woodson, Jacqueline, & E. B. Lewis. Each Kindness. New York, NY: Nancy Paulsen, 2012.
- Woodson, Jacqueline, & Sophie Blackall. Pecan Pie Baby. New York, NY: Puffin, 2013.
- Woodson, Jacqueline, & Diane Greenesid. We Had a Picnic This Sunday Past. New York, NY: Hyperion Paperbacks for Children, 2007.
- Woodson, Jacqueline & James Ransome. This is the Rope: A Story from the Great Migration. New York, NY: Puffin, 2013.
- Woodson, Jacqueline, and James Ransome. Visiting Day. New York, NY: Puffin, 2015.
- Woodson, Jacqueline. The Other Side. Putnam's Sons, 2001.

LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

C: If this request is a fundraiser, please detail how the proceeds will be spent:

This is not a fundraiser

D: For Expenditure Reimbursement Only – The grant award period begins with the Metro Council approval date and ends on June 30 of Metro fiscal year in which the grant is approved. If any part of this funding request is for funds to be spent before the grant award period, identify the applicable circumstances:

The funding request is a reimbursement of the following expenditures that will probably be incurred after the application date, but prior to the execution of the grant agreement:

- ✓ If selecting this option, the invoice, receipt and payment documentation should not be available as of the date of this application.

The Grantee will be required to submit financial reporting in accordance with the reporting schedule provided in the grant agreement.

Reimbursements should not be made before application date unless an emergency can be demonstrated by the primary council sponsor. The funding request is a reimbursement of the following expenditures (attach invoices or proof of payment):

- ✓ Attach a copy of invoices and/or receipts to provide proof of purchase of activities associated with the work plan identified in this application.
- ✓ Attach a copy of cancelled checks to provide proof of payment of the invoices or receipts associated with the work plan identified in this application.

LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

E: Describe the program's benefits to those being served (measurable outcomes). Include the program's process for collecting data and the indicators that will be tracked to measure the benefits to those being served:

Program benefits include the availability of books that children will be able to take home, thus increasing their home library. Other benefits will include increased exposure of family literacy activities that serve as a model for home activities.

Previous data collection have included:

1. Pre- and post-renovation surveys. Clinic staff and patient caregivers will be surveyed for their perceptions of the waiting room. (See Appendix B.) SPSS (2013) version 22.0 was used for survey analysis. The unpaired Likert-scaled response items was assessed using the Mann-Whitney U statistic. Frequencies, percentages, means and standard deviations was presented at a significance level of $p < 0.05$.
2. Pre-renovation observation logs. Three 30-minute observations created a baseline of behaviors considered with the pre-renovation survey results.
3. Post-renovation observations logs. Observation of naturally occurring events in the waiting room documented social interaction and early literacy activities (McKenzie, 2006). Two 30-minute observations each week for 6 months (one during read aloud, and one without) described behaviors and engagements of children, caregivers and volunteers. Outcomes to date demonstrates that families enjoy having literacy activities in the waiting room. The experience of families The experience of the families was enhanced above just having literacy materials available when volunteer readers were also in the clinic.

Continuing outcomes will include:

1. Narrative interview. A semi-structured narrative transcribed interview with volunteer readers will address their experiences. A brief demographic questionnaire will be administered
2. Observations to document behaviors and engagements of children, caregivers and volunteers in the waiting room.
3. Number of books taken by families.

F: Briefly describe any existing collaborative relationships the organization has with other community organizations. Describe what those partners are bringing to the relationship in general and to this program/project specifically.

Significant community partnerships include Metro United Way. We share a common goal of focusing on root causes of social problems that effect overall health. Our mutual focus on education provides an avenue for collaboration. This is done through selection of high quality, culturally relevant books and strategies for maximal impact.

Play Cousins is another partner to be engaged in the clinic. Their mutual partnership with Metro United Way with the partnership in early child development assessment with Ages and Stages and their focus storytelling, learning activities and a craft engagement provides opportunities to enhance family engagement and satisfaction with clinic activities

LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

SECTION 6 – PROGRAM/PROJECT BUDGET SUMMARY

THE PROGRAM/PROJECT BUDGET SHOULD REALISTICALLY ESTIMATE WHAT AMOUNT IS NEEDED FROM METRO GOVERNMENT AND WHAT IS EXPECTED FROM OTHER SOURCES.

Program/Project Expenses	Column 1	Column 2	Column (1+2)=3
	Proposed Metro Funds	Non- Metro Funds	Total Funds
A: Personnel Costs Including Benefits		5525	5525
B: Rent/Utilities			
C: Office Supplies			
D: Telephone			
E: In-town Travel			
F: Client Assistance (See Detailed List on Page 8)			
G: Professional Service Contracts	1500	500	2000
H: Program Materials	3500	7000	10500
I: Community Events & Festivals (See Detailed List on Page 8)			
J: Machinery & Equipment			
K: Capital Project			
L: Other Expenses (See Detailed List on Page 8)			
*TOTAL PROGRAM/PROJECT FUNDS	5000	13,025	18,025
	27.74 %	72.26 %	100%

List funding sources for total program/project costs in Column 2, Non-Metro Funds:

Other State, Federal or Local Government	6025
United Way	
Private Contributions (do not include individual donor names)	7000
Fees Collected from Program Participants	
Other (please specify)	
	13025

*Total of Column 1 MUST match "Total Request on Page 1, Section 2"

**Must equal or exceed total in column 2.

LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

Detail for Client Assistance, Community Events & Festivals or Other Expenses shown on Page 7 (circle one and use multiple sheets if necessary)	Column 1	Column 2	Column (1 + 2)=3
	Proposed Metro Funds	Non-Metro Funds	Total Funds
Total			

Applicant's Initials Blk

LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

Detail of In-Kind Contributions for this PROGRAM only: Includes Volunteers, Space, Utilities, etc. (Include anything not bought with cash revenues of the agency).

Donor*/Type of Contribution	Value of Contribution	Method of Valuation
Volunteers	12,500	Based on information from grant <input checked="" type="checkbox"/>
Total Value of In-Kind (to match Program Budget Line Item. Volunteer Contribution & Other In Kind)	12,500	

* DONOR INFORMATION REFERS TO WHO MADE THE IN KIND CONTRIBUTION. VOLUNTEERS NEED NOT BE LISTED INDIVIDUALLY, BUT GROUPED TOGETHER ON ONE LINE AS A TOTAL NOTING HOW MANY HOURS PER PERSON PER WEEK

Agency Fiscal Year Start Date: ~~October 1, 2018~~ July 1, 2018

Does your Agency anticipate a significant increase or decrease in your budget from the current fiscal year to the budget projected for next fiscal year? NO YES

If YES, please explain:

LOUISVILLE METRO COUNCIL NEIGHBORHOOD DEVELOPMENT FUND APPLICATION

SECTION 7 - CERTIFICATIONS & ASSURANCES

By signing Section 7 of the Grant Application, the authorized official signing for the applicant organization certifies and assures to the best of his or her knowledge and/or belief the following Assurances and Certifications. If there is any reason why one or more of the assurances or certifications listed cannot be certified or assured, please explain in writing and attach to this application.

Standard Assurances

1. Applicant understands this application and its attachments as well as any resulting grant agreement, reports and proof of expenditure is subject to Kentucky's open records law.
2. Applicant understands if the grant agreement is not returned to Louisville Metro within 90 days of its mailing to the applicant, the approval is automatically revoked and the funds will not be disbursed to our organization
3. Applicant and any sub grantees will give Louisville Metro Government access to and the right to examine all paper or electronic records related to the awarded grant for up to five years of the grant agreement date.
4. Applicant assures compliance with the grant requirements and will monitor the performance of any third party (sub-grantee).
5. The Agency is in good standing with the Kentucky Secretary of State, Louisville Metro Government, the Jefferson County Revenue Commission, the Internal Revenue Service, and the Louisville Metro Human Relations Commission.
6. Applicant understands failure to provide the services, programs, or projects included in the agreement will result in funds being withheld or requested to be returned if previously disbursed.
7. Applicant understands they must return to Louisville Metro any unexpended funds by July 31 following the Metro Louisville's fiscal year end.
8. Applicant understands they must provide proof of all expenditures (canceled checks, receipts, paid invoices). The Applicant understands the failure to provide proof of expenditures as required in the grant agreement could result in funding being withheld or request to be returned if previously disbursed.
9. Applicant understands if this application is approved, the grant agreement will identify an award period that begins with the Metro Council approval date, and will end with June 30 of the fiscal year in which the grant is approved. Expenditures associated with this award expected to occur prior to the award period (approval date) must be disclosed in this application in order to be considered compliant with the grant agreement.
10. Applicant understands if we choose to incur expenditures prior to the approval of the application by the Metro Council, there is no guarantee that funding will be reimbursed, as the Council may choose not to award the application
11. Applicant will establish safeguards to prohibit employees or any person that receives compensation from awarded funds from using their position for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain

Standard Certifications

1. The Agency certifies it will not use Louisville Metro Government funds for any religious, political or fraternal Activities
2. The Agency has a written Affirmative Action/Equal Opportunity Policy.
3. The Agency does not discriminate in employment or in provision of any service/program/activity/event based on age, color, disabled status, national origin, race, religion, sex, gender identity or sexual orientation, or Vietnam era veteran status.
4. The Agency certifies it will not require clients, recipients, or beneficiaries to participate in religious, political, fraternal or like activities in order to receive services/benefits provided with Louisville Metro Government funds
5. The Agency understands the Americans with Disabilities Act (ADA) and makes reasonable accommodations

Relationship Disclosure: List below any relationship you or any member of your Board of Directors or employees has with any Councilperson, Councilperson's family, Councilperson's staff or any Louisville Metro Government employee

SECTION 8 - CERTIFICATIONS & ASSURANCES

I certify under the penalty of law the information in this application (including, without limitation, "Certifications and Assurances") is accurate to the best of my knowledge. I am aware my organization will not be eligible for funding if investigation at any time shows falsification. If falsification is shown after funding has been approved, any allocations already received and expended are subject to be repaid. I further certify that I am legally authorized to sign this application for the applying organization and have initialed each page of the application.

Signature of Legal Signatory: Barbara Sells Date: 8/7/18
 Legal Signatory: (please print): Barbara Sells Title: Assoc. Director Sports Prog.
 Phone: 502-852-3788 Extension: _____ Email: grantmgmt@louisville.edu



Request for Taxpayer Identification Number and Certification

Give Form to the
 requester. Do not
 send to the IRS.

▶ Go to www.irs.gov/FormW9 for instructions and the latest information.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. UNIVERSITY OF LOUISVILLE RESEARCH FOUNDATION	
2 Business name/disregarded entity name, if different from above	
3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes. <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____ <small>Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.</small> <input checked="" type="checkbox"/> Other (see instructions) ▶ STATE UNIVERSITY	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) <u>1</u> Exemption from FATCA reporting code (if any) _____ <small>(Applies to accounts maintained outside the U.S.)</small>
5 Address (number, street, and apt. or suite no.) See instructions. CONTROLLER'S OFFICE - SERVICE COMPLEX BLDG.	Requester's name and address (optional)
6 City, state, and ZIP code LOUISVILLE, KY 40292	
7 List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN), if you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

	Social security number						
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%; border: 1px solid black; height: 20px;"></td> <td style="width: 15%; border: 1px solid black; height: 20px;"></td> <td style="width: 15%; border: 1px solid black; height: 20px;"></td> <td style="width: 15%; border: 1px solid black; height: 20px;"></td> <td style="width: 15%; border: 1px solid black; height: 20px;"></td> <td style="width: 15%; border: 1px solid black; height: 20px;"></td> </tr> </table>						
OR							
	Employer identification number						

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here	Signature of U.S. person ▶	Date ▶ 9/7/18
------------------	----------------------------	---------------

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.

Internal Revenue Service

Date: November 16, 2005

**UNIVERSITY OF LOUISVILLE RESEARCH
FOUNDATION INC**

**CONTROLLERS OFF UNIV OF LOUISVILLE
LOUISVILLE, KY 40292**

**Department of the Treasury
P. O. Box 2508**

Cincinnati, OH 45201

Person to Contact:

Sally Froehle

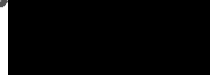
ID# 31-08058

Toll Free Telephone Number:

8:30 a.m. to 5:30 p.m. ET

1-877-829-5500

Federal Identification Number



Dear Sir or Madam:

This is in response to your request of October 13, 2005 regarding your tax-exempt status.

In May 1984 we issued a determination letter that recognized you as exempt from federal income tax. Our records indicate that you are currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records indicate that you are also classified as a public charity under section 509(a)(3) of the Internal Revenue Code.

Our records indicate that contributions to you are deductible under section 170 of the Code, and that you are qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Internal Revenue Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,

A handwritten signature in cursive script that reads "Cindy M. Westcott".

**Cindy Westcott
Manager, EO Determinations**

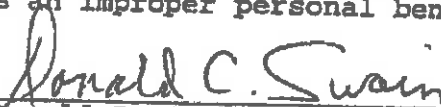
ARTICLES OF AMENDMENT
TO THE ARTICLES OF INCORPORATION
OF THE
UNIVERSITY OF LOUISVILLE RESEARCH FOUNDATION, INC.


Pursuant to the provisions of KRS 273.263 and KRS 273.267, the University of Louisville Research Foundation, 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 University of Louisville Research Foundation, Inc.
- SECOND:** The Corporation's Articles of Incorporation were amended by the affirmative vote of a majority of Directors of the Corporation on May 22, 1989, at a meeting held pursuant to the By-laws of the Corporation as provided in the Kentucky Nonprofit Corporation Act.
- THIRD:** Article VIII of the Corporation's Articles of Incorporation shall read as follows:

ARTICLE VIII

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.


Donald C. Swain, President
Board of Directors
University of Louisville
Research Foundation, Inc.


Karen R. Howe
Assistant Secretary
Board of Directors
University of Louisville Research Foundation, Inc.

RECEIVED AND FILED

DATE
TIME
BY

BREWER GIESLER
SECRETARY OF STATE
COMMONWEALTH OF KENTUCKY

BY

0000035760211

0180002.09

Chance
NAOA

Trey Grayson
Secretary of State
Received and Filed
01/10/2005 9:50:43 AM
Fee Receipt: \$8.00

**ARTICLES OF AMENDMENT
TO THE ARTICLES OF INCORPORATION
OF THE
UNIVERSITY OF LOUISVILLE RESEARCH FOUNDATION, INC.**

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- FIRST:** The name of the Corporation is University of Louisville Research Foundation, Inc.
- SECOND:** The Corporation's Articles of Incorporation were amended by the affirmative vote of a majority of Directors of the Corporation on November 11, 2004, at a meeting held pursuant to the By-laws of the Corporation as provided in the Kentucky Nonprofit Corporation Act.
- THIRD:** Article III of the Corporation's Articles of Incorporation shall read as follows:

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 any may exercise are as follows:

1. To conduct and carry on its work, not for profit, but exclusively for charitable, educational and scientific purposes, 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. The Corporation shall 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.

3. To carry out and support research projects, investigations and other activities relating to educational, scientific, literary, artistic, health care and public service missions of the University of Louisville.

4. To promote, encourage, facilitate, foster and develop such projects and activities for the benefit of the students, faculty, staff and trustees of the University of Louisville and the state as a whole.


5. To foster transfer and development of technology including but not limited to development of patents and research information useful to the public by means of publication, commercialization, licensing, cooperative agreements and other arrangements designed to bring new and useful ideas to the marketplace.

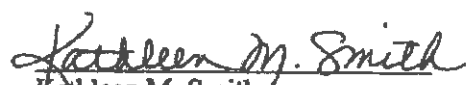
6. To obtain and administer grants, contracts and gifts in support of research, educational and public service activities, directly or as intermediary or fiscal agent for the University of Louisville or related organizations.

7. To do and perform such other objects as, in the opinion of the Board of Directors, may be incidental to, or in furtherance of, the objects hereinbefore expressed.

8. 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.


James R. Ramsey, President
Board of Directors
University of Louisville Research Foundation, Inc.


Kathleen M. Smith
Assistant Secretary
Board of Directors
University of Louisville Research Foundation, Inc.

Document No.: DM2005006742
Lodged By: U OF L
Recorded On: 01/16/2005 02:42:16
Total Fees: 9.00
Transfer Tax: .00
County Clerk: BOBBIE HOLSCLOW-JEFF CO KY
Deputy Clerk: CARARR

UofL Corporations
2018 Operating Budget



UNIVERSITY OF LOUISVILLE RESEARCH FOUNDATION, INC.

The University of Louisville Research Foundation (ULRF) is a non-profit corporation affiliated with the University of Louisville. The Research Foundation was established in 1989 for the purpose of promoting and supporting research projects, investigations, clinical operations, and other activities relating to the educational, scientific, literary, health care and public service missions of the university.

Table 24 shows ULRF budgeted revenues and expenditures for FY 2017 and FY 2018. For FY 2018, the ULRF budget totals \$539 million, which is \$56.2 million more than FY 2017. The increase is primarily attributable to serving more patients through the expansion of University of Louisville Physicians (ULP) services; the largest multi-specialty physician practice in the Louisville area. In addition, Hospital Affiliations have been reclassified from general funds to non-general for FY 2018.

Table 24: UofL Research Foundation, Inc. Budget

Revenues	FY 2017		FY 2018		FY 2017-18 Change	
	Amount	Percent	Amount	Percent	Amount	Percent
Clinical Operations	\$291,780,500		\$318,534,000		\$26,753,500	9.2%
Sponsored Agreements - Direct	145,095,500		145,095,500		0	0.0%
Sponsored Agreements - F&A	25,000,000		24,000,000		(1,000,000)	-4.0%
Hospital Affiliations *	0		30,493,600		30,493,600	0.0%
Other **	20,904,500		20,904,500		0	0.0%
Total Revenue	\$482,780,500		\$539,027,600		\$56,247,100	11.7%
Expenditures						
Salaries	\$265,502,900		\$279,845,100		\$14,342,200	5.4%
Fringe Benefits	50,977,400		59,361,500		8,384,100	16.4%
Operating Expense	166,300,200		199,821,000		33,520,800	20.2%
Total Expenditures	\$482,780,500		\$539,027,600		\$56,247,100	11.7%

* Prior to FY 2018, KentuckyOne Health revenues and expenses were budgeted as general funds. In FY 2018, they are budgeted as non-general funds to reflect the limitations on how those funds can be spent.

** Other includes items such as grants for financial aid and instruction.

Source: UofL Budget Office, ULRF

Early Literacy Behaviors in a Pediatric Clinic Waiting Room OBSERVATION LOG

Date: _____ Observer: _____ Read Aloud: N Y/Volunteer: _____

Start Time: _____ End Time: _____ Books Read: _____

Early literacy behaviors		Participants in book rdg	
Initiations of book reading		Child w/ volunteer	
Volunteer		Child w/ caregiver	
Caregiver		Child w/ other child(ren)	
Child		Child alone	
Total		Total	
Book handling knowledge Holding the book Directionality Naming parts of the book Determining significance Written language registers Holistic remembering		Culturally spec refs & actions Vocabulary Linguistic variation	
Print knowledge Different b/w ill. & print Letters Words Participates in reading Voice/print match		Presence & engagement with technology Television Smart phones, tablets Laptops	
Reading strategies Text to self connections Text to text connections Labels pictures Retells stories Choral reading Independent reading		Play and pretend Expressing imagination Taking pretend roles Using materials as symbols	
Music and language play Rhyming Singing Rhythmic language, rap Joking Storytelling		Content knowledge (math, science, geography, art, etc.)	

Social Interactions		
Conflict		Interactions
Fighting/arguing Physical aggression Conflict resolution		Initiating play w/ other children Initiating play w/ caregiver(s) Invitations to play Refusals to play
Proximity Sitting alone by choice Being directed to sit alone Playing alone Physical closeness		Language w/out book connection Rhyming Singing Rhythmic language, rap Joking
Expressing Emotion With language With gesture (hug, pat) Direct teaching/discussion		

Additional descriptive fieldnotes:

Procedures: Note observer, date, time, & volunteer's first name at beginning of observation. Mark #1, #2, etc. on the map for each interaction observed. On the observation log, write #1, #2, etc. before each written description of interaction in the appropriate spaces. Use tally marks to count interactions in the first two categories. After 30 minutes of observation, note the time and write clarifications and additional observation descriptions.

**DEPARTMENT OF PEDIATRICS
UNIVERSITY OF LOUISVILLE
FISCAL YEAR 2019 BUDGET**

Clinical Revenues	\$	48,982,646
Endowments/Gifts	\$	3,728,792
General Funds	\$	4,636,776
Grants	\$	6,938,095
Contracts	\$	23,940,398
Total Revenue	\$	88,226,707
Personnel	\$	79,397,722
Operating	\$	8,416,210
Non Operating Expenses	\$	9,248,079
Total Expenses	\$	97,062,011
Variance	\$	(8,835,304)

PUBLIC DISCLOSURE COPY

Form **990**

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2016

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter social security numbers on this form as it may be made public.

▶ Information about Form 990 and its instructions is at www.irs.gov/form990.

A For the 2016 calendar year, or tax year beginning 07/01, 2016, and ending 06/30, 20 17

B Check if applicable:
 Address change
 Name change
 Initial return
 Final return/terminated
 Amended return
 Application pending

C Name of organization UNIVERSITY OF LOUISVILLE RESEARCH FOUNDATION
 Doing business as _____
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
UOFL CONTROLLERS OFFICE
 City or town, state or province, country, and ZIP or foreign postal code
LOUISVILLE, KY 40292

D Employer identification number _____
E Telephone number (502) 852-7072
G Gross receipts \$ 411,495,486

F Name and address of principal officer: GREGORY C. POSTEL
2301 S THIRD STREET, LOUISVILLE, KY 40292
 H(a) Is this a group return for subsidiaries? Yes No
 H(b) Are all subsidiaries included? Yes No
 If "No," attach a list. (see instructions)
 H(c) Group exemption number ▶ _____

I Tax-exempt status: 501(c)(3) 501(c) () ◀ (insert no.) 4947(a)(1) or 527

J Website: ▶ N/A

K Form of organization: Corporation Trust Association Other ▶ _____
L Year of formation: 1984 **M** State of legal domicile: KY

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: <u>THE UNIVERSITY OF LOUISVILLE RESEARCH FOUNDATION IS ORGANIZED FOR THE PURPOSE OF PROMOTING AND SUPPORTING RESEARCH PROJECTS.</u> (CONTINUED ON SCHEDULE O)		
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	18
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	10
	5	Total number of individuals employed in calendar year 2016 (Part V, line 2a)	5	0
	6	Total number of volunteers (estimate if necessary)	6	40
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
7b	Net unrelated business taxable income from Form 990-T, line 34	7b	0	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year <u>172,640,537</u>	Current Year <u>180,308,501</u>
	9	Program service revenue (Part VIII, line 2g)	<u>237,897,869</u>	<u>248,225,223</u>
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<u>27,399</u>	<u>(2,534)</u>
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<u>484,313</u>	<u>1,831,383</u>
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<u>410,849,918</u>	<u>410,360,573</u>
	Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	<u>43,023,600</u>
14		Benefits paid to or for members (Part IX, column (A), line 4)		
15		Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		<u>0</u>
16a		Professional fundraising fees (Part IX, column (A), line 11a)	<u>0</u>	<u>0</u>
b		Total fundraising expenses (Part IX, column (D), line 25) ▶ <u>0</u>		
17		Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	<u>378,593,879</u>	<u>379,693,480</u>
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	<u>421,617,479</u>	<u>422,491,125</u>	
19	Revenue less expenses. Subtract line 18 from line 12	<u>(10,767,561)</u>	<u>(12,130,552)</u>	
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Current Year <u>116,462,761</u>	End of Year <u>105,868,858</u>
	21	Total liabilities (Part X, line 26)	<u>54,509,861</u>	<u>56,046,510</u>
	22	Net assets or fund balances. Subtract line 21 from line 20	<u>61,952,900</u>	<u>49,822,348</u>

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature of officer _____ Date _____
SUSAN I. HOWARTH, VICE PRESIDENT
 Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name Preparer's signature Date Check self-employment PTIN
RACHEL SPURLOCK _____ _____ _____
 Firm's name ▶ CROWE HORWATH LLP Firm's EIN ▶ _____
 Firm's address ▶ 9600 BROWNSBORO ROAD, SUITE 400, LOUISVILLE, KY 40241-1122 Phone no. (502) 328-3996

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III [X]

1 Briefly describe the organization's mission:

THE UNIVERSITY OF LOUISVILLE RESEARCH FOUNDATION IS ORGANIZED FOR THE PURPOSE OF PROMOTING AND SUPPORTING RESEARCH PROJECTS, INVESTIGATIONS, CLINICAL SERVICES, AND OTHER ACTIVITIES RELATING TO THE MISSIONS OF THE UNIVERSITY OF LOUISVILLE.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [] Yes [X] No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [] Yes [X] No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 411,015,493 including grants of \$ 42,797,665) (Revenue \$ 249,932,526)

IN FISCAL YEAR 2017, THE UNIVERSITY OF LOUISVILLE RESEARCH FOUNDATION (ULRF) CONTINUED TO EXPAND AND DIVERSIFY ITS RESEARCH PORTFOLIO IN ALL CATEGORIES. ULRF RECEIVED 931 AWARDS FOR \$147.8 MILLION WHICH INCLUDED \$102.8 MILLION FROM THE FEDERAL GOVERNMENT, \$20.8 MILLION FROM INDUSTRY, \$8.5 MILLION FROM FOUNDATIONS, AND \$14.8 MILLION FROM THE COMMONWEALTH OF KENTUCKY. BASIC RESEARCH INCLUDED A WIDE RANGE OF TOPICS: GREEN CHEMISTRY, RARE EARTH OXIDES AS PHOTOVOLTAICS, AND PIONEERING RESEARCH IN SPINAL CORD INJURY. A KEY ELEMENT OF ULRF'S RESEARCH PORTFOLIO IS THE TRANSLATION OF RESEARCH INTO MARKETABLE COMMERCIAL APPLICATIONS. ULRF IS ONE OF VERY FEW PUBLIC RESEARCH ORGANIZATIONS IN THE COUNTRY TO BE AWARDED THREE PRESTIGIOUS COMMERCIALIZATION GRANTS: THE COULTER AWARD, NSF I CORPS SITE PROGRAM, AND THE NIH EXCITE PROGRAM. THESE PROGRAMS CONTINUED IN FISCAL YEAR 2017. OTHER TRANSLATIONAL EFFORTS INCLUDED: NOVEL THERAPIES IN ALCOHOLIC HEPATITIS, NORTH AMERICAN CLINICAL TRIAL NETWORK FOR SPINAL CORD INJURY, AND PREVENTION OF NEONATAL ABSTINENCE SYNDROME. IN ADDITION TO (CONTINUED ON SCHEDULE O)

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe in Schedule O.) (Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 411,015,493

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	<input type="checkbox"/>	<input checked="" type="checkbox"/>
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	<input type="checkbox"/>	<input checked="" type="checkbox"/>
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	<input type="checkbox"/>	<input checked="" type="checkbox"/>
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V	<input type="checkbox"/>	<input checked="" type="checkbox"/>
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	<input type="checkbox"/>	<input checked="" type="checkbox"/>
12 a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional	<input checked="" type="checkbox"/>	<input type="checkbox"/>
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	<input type="checkbox"/>	<input checked="" type="checkbox"/>
14 a Did the organization maintain an office, employees, or agents outside of the United States?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV	<input type="checkbox"/>	<input checked="" type="checkbox"/>
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	<input type="checkbox"/>	<input checked="" type="checkbox"/>
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV	<input type="checkbox"/>	<input checked="" type="checkbox"/>
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	<input type="checkbox"/>	<input checked="" type="checkbox"/>
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Part IV Checklist of Required Schedules (continued)

	Yes	No
20 a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H		✓
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	✓	
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	✓	
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	✓	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a		✓
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		✓
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I		✓
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If "Yes," complete Schedule L, Part II		✓
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III		✓
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		✓
b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		✓
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV		✓
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		✓
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		✓
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		✓
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		✓
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		✓
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1	✓	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		✓
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		✓
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		✓
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O.	✓	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	461
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	<input checked="" type="checkbox"/>
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	0
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	<input checked="" type="checkbox"/>
b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O	3b	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	<input checked="" type="checkbox"/>
b	If "Yes," enter the name of the foreign country: ▶ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	<input checked="" type="checkbox"/>
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	<input checked="" type="checkbox"/>
c	If "Yes" to line 5a or 5b, did the organization file Form 8868-T?	5c	
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a	<input checked="" type="checkbox"/>
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a	<input checked="" type="checkbox"/>
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	<input checked="" type="checkbox"/>
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d	
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	<input checked="" type="checkbox"/>
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	<input checked="" type="checkbox"/>
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g	
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h	
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8	
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the sponsoring organization make any taxable distributions under section 4966?	9a	
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b	
10	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11	Section 501(c)(12) organizations. Enter:		
a	Gross income from members or shareholders	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.	13a	
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
c	Enter the amount of reserves on hand	13c	
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a	<input checked="" type="checkbox"/>
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b	

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions. Check if Schedule O contains a response or note to any line in this Part VI

Section A. Governing Body and Management

	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.	18	
1b Enter the number of voting members included in line 1a, above, who are independent	10	
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	✓
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	3	✓
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	✓
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5	✓
6 Did the organization have members or stockholders?	6	✓
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	✓
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	✓
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	8a	✓
b Each committee with authority to act on behalf of the governing body?	8b	✓
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9	✓

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Did the organization have local chapters, branches, or affiliates?	10a	✓
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	✓
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	✓
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	✓
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	✓
13 Did the organization have a written whistleblower policy?	13	✓
14 Did the organization have a written document retention and destruction policy?	14	✓
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official	15a	✓
b Other officers or key employees of the organization	15b	✓
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	✓
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed ▶ KY
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
 Own website Another's website Upon request Other (explain in Schedule O)
- 19** Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, address, and telephone number of the person who possesses the organization's books and records: ▶
 WALTER W. NEWELL, CONTROLLER'S OFFICE, UNIV OF LOUISV, LOUISVILLE, KY 40292, (502) 852-7072

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) RON BUTT, C.F.P. CHAIR 7/30 - 11/29/16; DIRECTOR 7/30/16 - 1/12/17	0.5 0.0							0	0	0
(2) EMILY BINGHAM, PH.D. TREASURER 7/30 - 11/29/16; CHAIR 11/29/16 - 1/12/17	0.5 0.0							0	0	0
(3) JAMES M. ROGERS CHAIRMAN PRO TEM FROM 3/27/17	0.5 0.5							0	0	0
(4) JONATHAN BLUE VICE CHAIR 7/30/16 - 1/12/17	0.5 0.0							0	0	0
(5) SANDRA FRAZIER DIRECTOR 7/1-7/29/16 & VICE CHAIR PRO TEM FROM 3/27/17	0.5 0.0							0	0	0
(6) DR. JAMES R. RAMSEY PRESIDENT 7/1 - 7/29/16	0.5 49.5							0	720,245	220,322
(7) NEVILLE G. PINTO, PH.D. VICE PRESIDENT 7/1 - 7/29/16; PRESIDENT 7/30/16 - 1/21/17	0.5 49.5							0	521,839	47,014
(8) GREGORY C. POSTEL, M.D. PRESIDENT FROM 1/21/17	0.5 49.5							0	927,925	45,723
(9) WILLIAM M. PIERCE, JR., PH.D. VICE PRESIDENT	0.5 49.5							0	337,317	48,934
(10) HARLAN M. SANDS, J.D. VP 7/1 - 11/29/16; VP & ASST TREAS 11/29/16 - 1/7/17	0.5 49.5							0	374,449	44,973
(11) DALE B. BILLINGSLEY, PH.D. VICE PRES FROM 11/29/16	0.5 49.5							0	274,059	47,447
(12) DAVID J. ADAMS VICE PRES FROM 3/27/17	0.5 49.5							0	10,000	0
(13) SUSAN I. HOWARTH VICE PRES FROM 3/27/17	0.5 49.5							0	227,416	34,152
(14) PAMELA A. FELDHOF, PH.D. SECRETARY 7/1 - 9/9/16	0.5 49.5							0	120,197	23,878

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15) PROF. ENID TRUCIOS-HAYNES SECRETARY 11/29/16 - 3/27/17; TREASURER PRO TEM FROM 3/27/17	0.5 49.5	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> 0	<input type="checkbox"/> 178,657	<input type="checkbox"/> 32,488	
(16) BONITA K. BLACK, J.D. SECRETARY PRO TEM FROM 3/27/17	0.5 0.0	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> 0	<input type="checkbox"/> 0	<input type="checkbox"/> 0	
(17) BRUCE HENDERSON TREASURER 11/29/16 - 1/12/17	0.5 0.0	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> 0	<input type="checkbox"/> 0	<input type="checkbox"/> 0	
(18) MARIE ABRAMS DIRECTOR 7/30/16 - 1/12/17	0.5 0.0	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> 0	<input type="checkbox"/> 0	<input type="checkbox"/> 0	
(19) WILLIAM W. ARMSTRONG DIRECTOR	0.5 49.5	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> 0	<input type="checkbox"/> 66,615	<input type="checkbox"/> 24,895	
(20) ROBERT P BENSON, JR., M.D. DIRECTOR 7/30/16 - 1/12/17	0.5 0.0	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> 0	<input type="checkbox"/> 0	<input type="checkbox"/> 0	
(21) LAURENCE BENZ DIRECTOR 7/30/16 - 1/12/17	0.5 0.0	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> 0	<input type="checkbox"/> 0	<input type="checkbox"/> 0	
(22) DALE J. BODEN DIRECTOR 7/1-7/29/16 & FROM 1/13/17	0.5 0.0	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> 0	<input type="checkbox"/> 0	<input type="checkbox"/> 0	
(23) ULYSSES L. BRIDGEMAN, JR. DIRECTOR 7/1-7/29/16 & 1/13 - 2/10/17	0.5 0.5	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> 0	<input type="checkbox"/> 0	<input type="checkbox"/> 0	
(24) STEPHEN PAUL CAMPBELL DIRECTOR 7/30/16 - 1/12/17	0.5 0.0	<input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> 0	<input type="checkbox"/> 0	<input type="checkbox"/> 0	
(25) (SEE STATEMENT)										
1b Sub-total							0	3,758,719	567,826	
c Total from continuation sheets to Part VII, Section A							0	3,107,453	232,118	
d Total (add lines 1b and 1c)							0	6,866,172	799,944	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **0**

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
UNIVERSITY OF LOUISVILLE PHYSICIANS, 300 EAST MARKET STREET, LOUISVILLE, KY 40202	MEDICAL/HEALTHCARE	17,250,902
WKU RESEARCH FOUNDATION, WESTERN KY UNIV., 1906 COLLEGE HTS BLVD, BOWLING GREEN, KY 42101	RESEARCH SERVICES	936,061
UNIV OF KENTUCKY RESEARCH FDN, 301 PETERSON SVC BLDG, LEXINGTON, KY 40506	RESEARCH SERVICES	863,178
BAPTIST HEALTH MADISONVILLE, 900 HOSPITAL DR, MADISONVILLE, KY 42431	MEDICAL SERVICES	842,523
JEWSH HOSPITAL HEALTHCARE, 200 ABRAHAM FLEXNER WAY, LOUISVILLE, KY 40202	MEDICAL SERVICES	676,283

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **65**

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e	140,892,924				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	19,413,577				
	g Noncash contributions included in lines 1a-1f: \$						
	h Total. Add lines 1a-1f		160,306,501				
Program Service Revenue	2a CLINICAL SERVICES	Business Code 541700	245,133,977	245,133,977			
	b OTHER RESEARCH PROJECTS	541700	3,029,267	3,029,267			
	c CONFERENCES AND TRAINING	541700	61,979	61,979			
	d						
	e						
	f All other program service revenue		0	0	0	0	
	g Total. Add lines 2a-2f		248,225,223				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		7,874			7,874	
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties		119,034			119,034	
	6a Gross rents	(i) Real	5,046				
		(ii) Personal					
		b Less: rental expenses	0				
		c Rental income or (loss)	5,046	0			
	d Net rental income or (loss)		5,046			5,046	
	7a Gross amount from sales of assets other than inventory	(i) Securities	57,075				
		(ii) Other		0			
		b Less: cost or other basis and sales expenses	0	67,483			
		c Gain or (loss)	57,075	(67,483)			
	d Net gain or (loss)		(10,408)			(10,408)	
	8a Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18	a					
		b Less: direct expenses	b				
c Net income or (loss) from fundraising events							
9a Gross income from gaming activities. See Part IV, line 19	a						
	b Less: direct expenses	b					
	c Net income or (loss) from gaming activities						
10a Gross sales of inventory, less returns and allowances	a	872,977					
	b Less: cost of goods sold	b	1,067,430				
	c Net income or (loss) from sales of inventory		(194,453)	(194,453)			
Miscellaneous Revenue		Business Code					
11a MISCELLANEOUS	900089	1,901,756	1,901,756				
b							
c							
d All other revenue		0	0	0	0		
e Total. Add lines 11a-11d		1,901,756					
12 Total revenue. See instructions.		410,360,573	249,832,526	0	121,546		

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21	91,100	91,100		
2 Grants and other assistance to domestic individuals. See Part IV, line 22	42,706,565	42,706,565		
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages				
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes				
11 Fees for services (non-employees):				
a Management				
b Legal	1,374,425	1,056,409	318,016	
c Accounting	38,745	38,745		
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	325,277,397	317,170,268	8,107,129	0
12 Advertising and promotion	394,096	319,563	74,533	
13 Office expenses	1,259,065	1,204,345	54,720	
14 Information technology	3,725,748	3,520,423	205,325	
15 Royalties	101,347	101,347		
16 Occupancy	2,422,745	2,291,742	131,003	
17 Travel	4,386,644	4,304,320	82,324	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	6,263,432	6,092,898	170,534	
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	7,072,084	7,072,084		
23 Insurance	955,133	942,247	12,886	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a F&A SERVICES AND OTHER TRANSFERS	6,970,957	4,793,671	2,177,286	
b LABORATORY SUPPLIES AND EXPENSES	14,299,029	14,287,198	11,831	
c SMALL EQUIPMENT PURCHASES AND RENTALS	736,323	718,228	17,095	
d LICENSES, PERMITS, AND FEES	1,128,934	1,110,076	18,858	
e All other expenses	3,287,358	3,193,264	94,092	0
25 Total functional expenses. Add lines 1 through 24e	422,491,125	411,015,493	11,475,632	0
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest-bearing	5,779	1	5,980
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	49,048,558	4	36,728,730
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	0	5	0
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L		6	0
	7 Notes and loans receivable, net	716,987	7	6,667,668
	8 Inventories for sale or use	394,608	8	454,686
	9 Prepaid expenses and deferred charges		9	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 158,585,080		
	b Less: accumulated depreciation	10b 96,858,608	10c	61,726,472
	11 Investments—publicly traded securities		11	
	12 Investments—other securities. See Part IV, line 11	2,113	12	2,113
	13 Investments—program-related. See Part IV, line 11	0	13	0
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	305,852	15	282,209
16 Total assets. Add lines 1 through 15 (must equal line 34)	116,462,761	16	105,868,858	
Liabilities	17 Accounts payable and accrued expenses	13,275,301	17	16,014,416
	18 Grants payable		18	
	19 Deferred revenue	2,011,372	19	2,609,133
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	0
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	39,223,188	25	37,422,961
	26 Total liabilities. Add lines 17 through 25	54,509,861	26	56,046,510
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets		27	
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds	61,952,900	32	49,822,348
33 Total net assets or fund balances	61,952,900	33	49,822,348	
34 Total liabilities and net assets/fund balances	116,462,761	34	105,868,858	

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	410,360,573
2	Total expenses (must equal Part IX, column (A), line 25)	2	422,491,125
3	Revenue less expenses. Subtract line 2 from line 1	3	(12,130,552)
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	61,952,900
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	49,822,348

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? . . . If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		✓
b Were the organization's financial statements audited by an independent accountant? . . . If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input checked="" type="checkbox"/> Both consolidated and separate basis	✓	
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? . . . If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	✓	
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	✓	
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.	✓	

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (Check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(25) BRIAN A. CROMER, J.D. DIRECTOR 7/1-7/29/16 & FROM 1/13/17	0.5 0.5	✓						0	0	0
(26) CRAIG GREENBERG, J.D. DIRECTOR 7/30/16 - 1/12/17	0.5 0.0	✓						0	0	0
(27) J. DAVID GRISSOM DIRECTOR 7/1-7/29/16 & FROM 1/13/17	0.5 0.0	✓						0	0	0
(28) DOUGLAS HALL DIRECTOR 7/30/16 - 1/12/17	0.5 0.5	✓						0	0	0
(29) LARRY HAYES DIRECTOR 7/30/16 - 1/12/17	0.5 0.0	✓						0	0	0
(30) ROBERT CURTIS HUGHES, M.D. DIRECTOR 7/30/16 - 1/12/17	0.5 0.0	✓						0	0	0
(31) DIANE B. MEDLEY DIRECTOR 7/1-7/29/16 & FROM 1/13/17	0.5 0.0	✓						0	0	0
(32) BRUCIE MOORE, J.D. DIRECTOR 7/30/16 - 1/12/17	0.5 0.0	✓						0	0	0
(33) JOSEPH W. PRATHER, II, M.D. DIRECTOR 7/30/16 - 1/12/17	0.5 0.5	✓						0	0	0
(34) NITIN SAHNEY DIRECTOR 7/1-7/29/16 & FROM 1/13/17	0.5 0.0	✓						0	0	0
(35) JOHN H. SCHNATTER DIRECTOR 7/1-7/29/16 & FROM 1/13/17	0.5 0.0	✓						0	0	0
(36) WILLIAM E. SUMMERS, IV DIRECTOR 7/30/16 - 1/12/17	0.5 0.0	✓						0	0	0
(37) AARON T. VANCE DIRECTOR	0.5 9.5	✓						0	4,566	0
(38) RONALD L. WRIGHT DIRECTOR 7/1-7/29/16 & FROM 1/13/17	0.5 0.0	✓						0	0	0
(39) KYLE J. BEAMER ASSISTANT SECRETARY	0.5 49.5			✓				0	54,839	17,169
(40) LESLIE C. STROHM LEGAL COUNSEL FROM 11/29/2016	0.5 49.5			✓				0	370,977	35,814
(41) KATHLEEN M. SMITH FORMER ASST. SECRETARY	0.0 50.0					✓		0	141,440	30,555
(42) MITCHELL H. PAYNE, J.D. FORMER CHIEF BUSINESS OFFICER	0.0 50.0					✓		0	218,351	33,632

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (Check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(43) DAVID L. DUNN, M.D.	0.0							0	1,919,276	37,636
FORMER VICE PRESIDENT	50.0						✓			
(44) ROBERT H. STAAT, M.D.	0.0							0	128,184	31,103
FORMER TREASURER	50.0						✓			
(45) SHIRLEY C. WILLIHGANZ, PH.D.	0.0							0	269,630	46,309
FORMER VICE PRESIDENT	50.0						✓			

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No. 1545-0047

2016

Open to Public Inspection

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ.

Department of the Treasury
Internal Revenue Service

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

Name of the organization

UNIVERSITY OF LOUISVILLE RESEARCH FOUNDATION

Employer identification number

61-1029628

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1 A church, convention of churches, or association of churches described in section 170(b)(1)(A)(i).
- 2 A school described in section 170(b)(1)(A)(ii). (Attach Schedule E (Form 990 or 990-EZ).)
- 3 A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii).
- 4 A medical research organization operated in conjunction with a hospital described in section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state:
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in section 170(b)(1)(A)(iv). (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in section 170(b)(1)(A)(vi). (Complete Part II.)
- 8 A community trust described in section 170(b)(1)(A)(vii). (Complete Part II.)
- 9 An agricultural research organization described in section 170(b)(1)(A)(ix) operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university:
- 10 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Complete Part III.)
- 11 An organization organized and operated exclusively to test for public safety. See section 509(a)(4).
- 12 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See section 509(a)(3). Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
 - a **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. You must complete Part IV, Sections A and B.
 - b **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). You must complete Part IV, Sections A and C.
 - c **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). You must complete Part IV, Sections A, D, and E.
 - d **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). You must complete Part IV, Sections A and D, and Part V.
 - e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
 - f Enter the number of supported organizations
 - g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1–10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(A)						
(B)						
(C)						
(D)						
(E)						
Total						

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Cat. No. 11285F

Schedule A (Form 990 or 990-EZ) 2016

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
 (Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	156,299,277	155,127,522	174,255,006	172,640,537	160,306,501	818,628,843
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						0
3 The value of services or facilities furnished by a governmental unit to the organization without charge						0
4 Total. Add lines 1 through 3	156,299,277	155,127,522	174,255,006	172,640,537	160,306,501	818,628,843
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						0
6 Public support. Subtract line 5 from line 4						818,628,843

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(f) Total
7 Amounts from line 4	156,299,277	155,127,522	174,255,006	172,640,537	160,306,501	818,628,843
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	382,946	3,893,151	196,814	170,432	131,954	4,775,297
9 Net income from unrelated business activities, whether or not the business is regularly carried on	0	0	0	0	0	0
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)	0	0	0	0	0	0
11 Total support. Add lines 7 through 10						823,404,140
12 Gross receipts from related activities, etc. (see instructions)					12	1,113,365,945
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2016 (line 6, column (f) divided by line 11, column (f))	14	99.42 %
15 Public support percentage from 2015 Schedule A, Part II, line 14	15	99.42 %
16a 33 1/3% support test—2016. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	<input checked="" type="checkbox"/>	
b 33 1/3% support test—2015. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
17a 10%-facts-and-circumstances test—2016. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
b 10%-facts-and-circumstances test—2015. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization	<input type="checkbox"/>	
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions	<input type="checkbox"/>	

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) 2016	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here	<input type="checkbox"/>					

Section C. Computation of Public Support Percentage

15 Public support percentage for 2016 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2015 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2016 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2015 Schedule A, Part III, line 17	18	%

- 19a **33 1/3% support tests—2016.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization
- b **33 1/3% support tests—2015.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization
- 20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Part IV Supporting Organizations

(Complete only if you checked a box in line 12 on Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer (b) and (c) below.</i>		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked 12a or 12b in Part I, answer (b) and (c) below.</i>		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
b Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
c Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer 10b below.</i>		
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

Part IV Supporting Organizations (continued)

	Yes	No
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		
b A family member of a person described in (a) above?		
c A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in Part VI.		

Section B. Type I Supporting Organizations

	Yes	No
1 Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.		
2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.		

Section C. Type II Supporting Organizations

	Yes	No
1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).		

Section D. All Type III Supporting Organizations

	Yes	No
1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).		
3 By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.		

Section E. Type III Functionally Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).		
a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.		
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.		
c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).		
2 Activities Test. Answer (a) and (b) below.		
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.		
b Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.		
3 Parent of Supported Organizations. Answer (a) and (b) below.		
a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in Part VI.		
b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

1 Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI). See Instructions. All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1 Net short-term capital gain	1		
2 Recoveries of prior-year distributions	2		
3 Other gross income (see instructions)	3		
4 Add lines 1 through 3.	4		
5 Depreciation and depletion	5		
6 Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6		
7 Other expenses (see instructions)	7		
8 Adjusted Net Income (subtract lines 5, 6, and 7 from line 4).	8		

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1 Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):			
a Average monthly value of securities	1a		
b Average monthly cash balances	1b		
c Fair market value of other non-exempt-use assets	1c		
d Total (add lines 1a, 1b, and 1c)	1d		
e Discount claimed for blockage or other factors (explain in detail in Part VI):			
2 Acquisition indebtedness applicable to non-exempt-use assets	2		
3 Subtract line 2 from line 1d.	3		
4 Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).	4		
5 Net value of non-exempt-use assets (subtract line 4 from line 3)	5		
6 Multiply line 5 by .035.	6		
7 Recoveries of prior-year distributions	7		
8 Minimum Asset Amount (add line 7 to line 6)	8		

Section C - Distributable Amount			Current Year
1 Adjusted net income for prior year (from Section A, line 8, Column A)	1		
2 Enter 85% of line 1.	2		
3 Minimum asset amount for prior year (from Section B, line 8, Column A)	3		
4 Enter greater of line 2 or line 3.	4		
5 Income tax imposed in prior year	5		
6 Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6		

7 Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see Instructions).

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions		Current Year		
1	Amounts paid to supported organizations to accomplish exempt purposes			
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity			
3	Administrative expenses paid to accomplish exempt purposes of supported organizations			
4	Amounts paid to acquire exempt-use assets			
5	Qualified set-aside amounts (prior IRS approval required)			
6	Other distributions (describe in Part VI). See instructions.			
7	Total annual distributions. Add lines 1 through 6.			
8	Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.			
9	Distributable amount for 2016 from Section C, line 6			
10	Line 8 amount divided by Line 9 amount			
Section E - Distribution Allocations (see instructions)		(i) Excess Distributions	(ii) Underdistributions Pre-2016	(iii) Distributable Amount for 2016
1	Distributable amount for 2016 from Section C, line 6			
2	Underdistributions, if any, for years prior to 2016 (reasonable cause required--explain in Part VI). See instructions.			
3	Excess distributions carryover, if any, to 2016:			
a				
b				
c	From 2013			
d	From 2014			
e	From 2015			
f	Total of lines 3a through e			
g	Applied to underdistributions of prior years			
h	Applied to 2016 distributable amount			
i	Carryover from 2011 not applied (see instructions)			
j	Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4	Distributions for 2016 from Section D, line 7: \$			
a	Applied to underdistributions of prior years			
b	Applied to 2016 distributable amount			
c	Remainder. Subtract lines 4a and 4b from 4.			
5	Remaining underdistributions for years prior to 2016, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI. See instructions.			
6	Remaining underdistributions for 2016. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI. See instructions.			
7	Excess distributions carryover to 2017. Add lines 3j and 4c.			
8	Breakdown of line 7:			
a				
b	Excess from 2013			
c	Excess from 2014			
d	Excess from 2015			
e	Excess from 2016			

Schedule B

(Form 990, 990-EZ, or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.

▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2016

Name of the organization

UNIVERSITY OF LOUISVILLE RESEARCH FOUNDATION

Employer identification number

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$ _____

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Cat. No. 30613X Schedule B (Form 990, 990-EZ, or 990-PF) (2016)

Name of organization UNIVERSITY OF LOUISVILLE RESEARCH FOUNDATION Employer identification number [REDACTED]

Part I Contributors (See instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1		\$ 40,823,748	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2		\$ 24,087,038	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3		\$ 20,081,768	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4		\$ 5,304,864	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
5		\$ 5,278,397	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
6		\$ 4,429,844	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization: UNIVERSITY OF LOUISVILLE RESEARCH FOUNDATION
 Employer identification number: [REDACTED]

Part I Contributors (See instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
7		\$ 3,508,293	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization
UNIVERSITY OF LOUISVILLE RESEARCH FOUNDATION

Employer identification number
[REDACTED]

Part II Noncash Property (See instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

Name of organization UNIVERSITY OF LOUISVILLE RESEARCH FOUNDATION Employer Identification number [REDACTED]

Part III Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once. See instructions.) ▶ \$ _____
 Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
-----	-----	-----	-----

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
-----	-----
-----	-----

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
-----	-----	-----	-----

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
-----	-----
-----	-----

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
-----	-----	-----	-----

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
-----	-----
-----	-----

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
-----	-----	-----	-----

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
-----	-----
-----	-----

**SCHEDULE D
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 8, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990.

▶ Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2016

Open to Public Inspection

Name of the organization: UNIVERSITY OF LOUISVILLE RESEARCH FOUNDATION
Employer identification number: [REDACTED]

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.
Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? <input type="checkbox"/> Yes <input type="checkbox"/> No		
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? <input type="checkbox"/> Yes <input type="checkbox"/> No		

Part II Conservation Easements.
Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).
 Preservation of land for public use (e.g., recreation or education) Preservation of a historically important land area
 Protection of natural habitat Preservation of a certified historic structure
 Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶

4 Number of states where property subject to conservation easement is located ▶

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? Yes No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ \$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? Yes No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.
Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue included on Form 990, Part VIII, line 1 ▶ \$

(ii) Assets included in Form 990, Part X ▶ \$

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenue included on Form 990, Part VIII, line 1 ▶ \$

b Assets included in Form 990, Part X ▶ \$

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

- 3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a Public exhibition
 - b Scholarly research
 - c Preservation for future generations
 - d Loan or exchange programs
 - e Other
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

- 2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No
- b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

Part V Endowment Funds.

Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment %
- b Permanent endowment %
- c Temporarily restricted endowment %

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

	Yes	No
(i) unrelated organizations	3a(i)	
(ii) related organizations	3a(ii)	

b If "Yes" on line 3a(i), are the related organizations listed as required on Schedule R?

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		351,695		351,695
b Buildings		70,726,880	20,107,161	50,619,719
c Leasehold improvements		818,024	720,060	97,964
d Equipment		85,477,946	75,888,475	9,589,471
e Other		1,210,535	142,912	1,067,623
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				61,726,472

Part VII Investments—Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

Part VIII Investments—Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	

Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

(a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) DUE TO UNIVERSITY OF LOUISVILLE	21,909,849
(3) ALLOCATED POST EMPLOYMENT BENEFITS	15,513,112
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	37,422,961

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII

Part XIII

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Return Reference - Identifier	Explanation	
SCHEDULE D, PART XI, LINE 4(B) - OTHER REVENUE	(a) Description	
	RECLASS LOSS ON SALE OF INVENTORY TO PART VIII	(b) Amount - 194,454
	RECLASS LOSS ON ASSET DISPOSALS TO PART VIII	- 67,483
SCHEDULE D, PART XII, LINE 2(D) - OTHER EXPENSES IN AUDITED FINANCIAL STATEMENTS NOT IN FORM 990	(a) Description	
	RECLASS LOSS ON SALE OF INVENTORY TO PART VIII	(b) Amount 194,454
	RECLASS LOSS ON ASSET DISPOSALS TO PART VIII	67,483

**SCHEDULE I
(Form 990)**

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**
Complete if the organization answered "Yes" on Form 990, Part IV, line 21 or 22.

OMB No. 1545-0047

2016

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

► Attach to Form 990. ► Information about Schedule I (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization

UNIVERSITY OF LOUISVILLE RESEARCH FOUNDATION

Employer identification number

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.
Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) SHAPING OUR APPALACHIAN REGION 137 MAIN ST, STE 300, PIKEVILLE, KY 41501	37-1760428	501(C)(3)	51,000				SPONSORSHIP
(2) JEWISH HOSPITAL & ST MARYS FOUNDATION 250 E LIBERTY ST, STE 500, LOUISVILLE, KY 40202	61-1028768	501(C)(3)	30,000				SPONSORSHIP
(3) CHILDRENS HOSPITAL FOUNDATION 234 E GRAY ST, STE 450, LOUISVILLE, KY 40202	61-6027530	501(C)(3)	6,500				SPONSORSHIP
(4) ACADEMY OF CARDIOVASCULAR SCIENCES FOUNDATION PO BOX 4658, COVINGTON, LA 70434	20-0023370	501(C)(3)	6,000				SPONSORSHIP
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table **4**

3 Enter total number of other organizations listed in the line 1 table **0**

Cat. No. 50055P

Schedule I (Form 990) (2016)

Part III Grants and Other Assistance to Domestic Individuals. Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1 (SEE STATEMENT)					
2					
3					
4					
5					
6					
7					

Part IV Supplemental Information. Provide the information required in Part I, line 2; Part III, column (b); and any other additional information.

(SEE STATEMENT)

Part III

Grants and Other Assistance to Individuals in the United States (continued)

(a) Type of grant or assistance	(b) Number of Recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FIV, appraisal, other)	(f) Description of non-cash assistance
(i) SCHOLARSHIPS, FELLOWSHIPS FINANCIAL AID, AWARDS	11,108	42,706,565			

Part IV

Supplemental Information. Provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

Return Reference - Identifier	Explanation
SCHEDULE I, PART I, LINE 2 - PROCEDURES FOR MONITORING USE OF GRANT FUNDS.	THE RECIPIENTS OF SCHOLARSHIPS, FELLOWSHIPS, AID, AND AWARDS ARE SELECTED BASED ON UNIVERSITY OF LOUISVILLE DEPARTMENTAL CRITERIA. THE ORGANIZATION SERVES PRIMARILY AS A FUNDING SOURCE FOR ANY SCHOLARSHIPS AWARDED BY THE UNIVERSITY

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service
Name of the organization

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
▶ Attach to Form 990.

▶ Information about Schedule J (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2016

Open to Public Inspection

UNIVERSITY OF LOUISVILLE RESEARCH FOUNDATION

Employer identification number

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|---|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (such as, maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain.

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a?

3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- | | |
|--|--|
| <input type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study |
| <input type="checkbox"/> Form 990 of other organizations | <input type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment? **4a** ✓
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan? **4b** ✓
- c** Participate in, or receive payment from, an equity-based compensation arrangement? **4c** ✓
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.

5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization? **5a** ✓
- b** Any related organization? **5b** ✓
- If "Yes" on line 5a or 5b, describe in Part III.

6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization? **6a** ✓
- b** Any related organization? **6b** ✓
- If "Yes" on line 6a or 6b, describe in Part III.

7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III. **7** ✓

8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III. **8**

9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)? **9**

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Cat. No. 50053T

Schedule J (Form 990) 2016

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

Note: The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 DAVID L. DUNN, M.D. FORMER VICE PRESIDENT	0	0	0	0	0	0	0
2 ROBERT H. STAAT, M.D. FORMER TREASURER	767,933	0	1,151,343	26,125	11,511	1,956,912	0
3 SHIRLEY C. WILLIHGANZ, PH.D. FORMER VICE PRESIDENT	124,476	0	3,708	12,955	18,148	159,287	0
4 DR. JAMES R. RAMSEY PRESIDENT 7/1 - 7/29/16	268,642	0	1,188	30,027	16,282	316,139	0
5 NEVILLE G. PINTO, PH.D. VICE PRESIDENT 7/1 - 7/29/16; PRESIDENT 7/30/16 - 1/29/17	205,514	0	514,731	208,501	10,821	940,567	0
6 GREGORY C. POSTEL, M.D. PRESIDENT FROM 1/21/17	504,222	0	17,617	26,125	20,889	568,853	0
7 WILLIAM M. PIERCE, JR., PH.D. VICE PRESIDENT	927,342	0	583	29,000	16,723	973,648	0
8 HARLAN M. SANDS, J.D. VP 7/1 - 11/29/16; VP & ASST TREAS 11/29/16 - 1/7/17	321,727	0	15,590	32,553	14,381	384,251	0
9 DALE B. BILLINGSLEY, PH.D. VICE PRES FROM 11/29/16	352,604	0	21,845	26,500	18,473	418,422	0
10 SUSAN I. HOWARTH VICE PRES FROM 3/27/17	271,773	0	2,286	28,031	19,416	321,506	0
11 PROF. ENID TRUCIOS-HAYNES SECRETARY 11/29/16 - 8/31/17; TREASURER PRO TEM FROM 8/31/17	214,377	0	13,039	21,632	12,520	261,568	0
12 KATHLEEN M. SMITH FORMER ASST. SECRETARY	177,863	0	774	16,549	15,939	211,145	0
13 MITCHELL H. PAYNE, J.D. FORMER CHIEF BUSINESS OFFICER	139,916	0	1,524	16,716	13,839	171,995	0
14 LESLIE C. STROHM LEGAL COUNSEL FROM 11/29/2016	216,065	0	2,286	21,012	12,520	251,883	0
15	357,789	12,000	1,188	19,875	15,939	406,791	0
16							

Part III

Supplemental Information. Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Return Reference - Identifier	Explanation
SCHEDULE J, PART I, LINE 4A - SEVERANCE OR CHANGE-OF-CONTROL PAYMENT	DAVID DUNN - \$1,150,000 SETTLEMENT PAYMENT FROM THE UNIVERSITY OF LOUISVILLE JAMES RAMSEY - \$507,542 SETTLEMENT PAYMENTS FROM THE UNIVERSITY OF LOUISVILLE
SCHEDULE J, PART I, LINE 4B - SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN	JAMES RAMSEY - \$183,000 DEFERRED COMPENSATION PAYABLE IN 2017 PER SETTLEMENT AGREEMENT WITH UNIVERSITY OF LOUISVILLE.

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.

2016

Open to Public Inspection

Name of the Organization
UNIVERSITY OF LOUISVILLE RESEARCH FOUNDATION

Identification Number

Return Reference - identifier	Explanation
FORM 990, PART I, LINE 1 - BRIEF MISSION	INVESTIGATIONS, CLINICAL SERVICES, AND OTHER ACTIVITIES RELATING TO THE MISSIONS OF THE UNIVERSITY OF LOUISVILLE.
FORM 990, PART III, LINE 4A - PROGRAM SERVICE DESCRIPTION	BASIC AND TRANSLATIONAL RESEARCH, ULRF IS ALSO MAKING SIGNIFICANT CONTRIBUTIONS TO IMPROVE THE QUALITY OF LIFE FOR PEOPLE IN BOTH THE LOCAL AREA AND GLOBALLY. THE WIDE RANGING PROGRAMS INCLUDE: SURVIVORS OF TORTURE RECOVERY CENTER, KENTUCKY ENVIRONMENTAL SUSTAINABILITY PROGRAM, ADDITIVE MANUFACTURING WORKFORCE DEVELOPMENT, COMMUNITY BASED DENTAL PARTNERSHIP, HIV SERVICES FOR WOMEN AND YOUTH, AND TRAUMA SERVICES FOR REFUGEE AND IMMIGRANT FAMILIES.
FORM 990, PART V, LINE 1A - FORM 1096	THE ORGANIZATION'S FORMS 1099 ARE FILED BY ITS COMMON PAY AGENT, THE UNIVERSITY OF LOUISVILLE.
FORM 990, PART V, LINE 2A - FORMS W-2	THE ORGANIZATION HAS NO EMPLOYEES.
FORM 990, PART VI, LINE 1A - DELEGATE BROAD AUTHORITY TO A COMMITTEE	<p>THE EXECUTIVE COMMITTEE CONSISTS OF THE CHAIRMAN, VICE CHAIRMAN, SECRETARY, TREASURER OF THE BOARD OF DIRECTORS, PRESIDENT, CHIEF BUSINESS OFFICER, CHIEF FINANCIAL OFFICER, CHIEF ACADEMIC OFFICER, AND CHIEF RESEARCH OFFICER OF THE UNIVERSITY OF LOUISVILLE IN THEIR CAPACITY AS DIRECTOR. THE PRESIDENT SERVES AS CHAIRMAN OF THE EXECUTIVE COMMITTEE. THE COMMITTEE ACTS FOR THE BOARD OF DIRECTORS IN THE INTERIM BETWEEN MEETINGS OF THE BOARD, AND WITH RESPECT TO THE ACCEPTANCE, ADMINISTRATION AND ACCOUNTING FOR GRANTS AND CONTRACTS IT IS NOT REQUIRED THAT ACTIONS OF THE EXECUTIVE COMMITTEE BE RATIFIED BY THE BOARD. EXCEPT AS STATED ABOVE, THE DELEGATION OF POWER AND AUTHORITY WHEN GIVEN BY THE BOARD OF DIRECTORS TO THE EXECUTIVE COMMITTEE SHALL BE COMPLETE, SUBJECT ONLY TO THE LIMITATIONS IMPOSED BY THE KENTUCKY REVISED STATUES.</p> <p>POWERS OF THE COMMITTEE SHALL NOT EXTEND TO AMENDING, ALTERING OR REPEALING THE BYLAWS; ELECTING, APPOINTING OR REMOVING ANY MEMBER OF ANY SUCH COMMITTEE OR ANY DIRECTOR OR OFFICER OF THE CORPORATION; AMENDING THE ARTICLES OF INCORPORATION, RESTATING ARTICLES OF INCORPORATION ADOPTING A PLAN OR MERGER OR ADOPTING A PLAN OF CONSOLIDATION WITH ANOTHER CORPORATION; AUTHORIZING THE SALE, LEASE, EXCHANGE OR MORTGAGE OF ALL OR SUBSTANTIALLY ALL OF THE PROPERTY AND ASSETS OF THE CORPORATION; AUTHORIZING THE VOLUNTARY DISSOLUTION OF THE CORPORATION OR REVOKING PROCEEDINGS THEREFOR; ADOPTING A PLAN FOR THE DISTRIBUTION OF THE ASSETS OF THE CORPORATION; OR AMENDING, ALTERING OR REPEALING ANY RESOLUTION OF THE BOARD OF DIRECTORS WHICH BY ITS TERMS PROVIDES THAT IT SHALL NOT BE AMENDED, ALTERED OR REPEALED BY SUCH COMMITTEE.</p>
FORM 990, PART VI, LINE 11B - REVIEW OF FORM 990 BY GOVERNING BODY	UNIVERSITY OF LOUISVILLE FINANCE PERSONNEL AND AN OUTSIDE FIRM PREPARED THE RETURN. A COPY OF THE RETURN WAS PROVIDED TO ALL BOARD MEMBERS FOR REVIEW PRIOR TO FILING.
FORM 990, PART VI, LINE 12C - CONFLICT OF INTEREST POLICY	<p>IF AN ITEM IS PRESENTED TO THE BOARD OF DIRECTORS (OR ANY OTHER POLICY BOARD) FOR ACTION, E.G., PURCHASE OF PROPERTY, MERGING WITH ANOTHER ENTITY, BUYING SERVICES, ETC., THE BOARD MEMBER WILL DISCLOSE HIS OR HER POSSIBLE CONFLICT OF INTEREST AND MUST RECUSE HIMSELF OR HERSELF FROM VOTING. THE BOARD MEMBER ALSO AVOIDS PARTICIPATING IN ANY DECISION OR ADVOCATING FOR ANY DECISION OF THE BOARD. IN SOME CIRCUMSTANCES, E.G., WHEN THE CONFLICT OF THE BOARD MEMBER PLACES THE BOARD MEMBER IN COMPETITION WITH THE UNIVERSITY, THE BOARD MEMBER WILL LEAVE THE BOARD MEETING DURING DISCUSSION OR UPDATE ON THE ACTION.</p> <p>BEFORE ANY MEETING OF THE VARIOUS BOARDS, AN AGENDA IS CIRCULATED TO EACH MEMBER OR DIRECTOR WITH DESCRIPTIONS OF THE ACTION ITEMS. THIS ALLOWS SUFFICIENT TIME FOR ANY BOARD MEMBER OR DIRECTOR TO ALERT THE BOARD ABOUT A POTENTIAL CONFLICT OF INTEREST. PAST PRACTICE INCLUDES WRITTEN DISCLOSURE BY THE BOARD MEMBER OUTLINING: (1) THAT A CONFLICT OF INTEREST MAY EXIST; (2) THE NATURE AND EXTENT OF THE CONFLICT; AND (3) THE DESCRIPTION AND POTENTIAL BENEFIT, DIRECT OR INDIRECT, TO THE MEMBER OF THE BOARD. THIS INFORMATION WILL BE SUPPLIED TO LEGAL COUNSEL AND THE ENTIRE BOARD AHEAD OF THE MEETING, AND A COPY OF THE INFORMATION WILL BE MAINTAINED IN THE BOARD MEMBER'S FILE.</p>
FORM 990, PART VI, LINE 15 - PROCESS FOR DETERMINING COMPENSATION	THE ORGANIZATION HAS NO EMPLOYEES, THUS LINES 15(A) AND 15(B) OF PART VI HAVE BEEN MARKED "NO."
FORM 990, PART VI, LINE 19 - REQUIRED DOCUMENTS AVAILABLE TO THE PUBLIC	AS A MATTER OF PRACTICE, THE ORGANIZATION ADHERES TO THE CONFLICT OF INTEREST POLICY, NON-RETALIATION POLICY, AND DOCUMENT INTEGRITY POLICY OF THE UNIVERSITY OF LOUISVILLE. COPIES OF THESE POLICIES ARE AVAILABLE AT LOUISVILLE.EDU OR UPON REQUEST COPIES OF THE ORGANIZATION'S AUDITED FINANCIAL STATEMENTS ARE ALSO AVAILABLE AT LOUISVILLE.EDU.

Return Reference - Identifier	Explanation																													
FORM 990, PART VII, SECTION A, LINE 1A - REPORTABLE COMPENSATION	AMOUNTS REPORTED ON PART VII AND ON SCHEDULE J INCLUDE ONLY COMPENSATION PAID BY ITS CONTROLLING PARENT, THE UNIVERSITY OF LOUISVILLE. THE REPORTED AMOUNTS DO NOT INCLUDE COMPENSATION PAID BY THE UNIVERSITY OF LOUISVILLE FOUNDATION, WHICH IS UNRELATED TO THE FILING ORGANIZATION FOR FORM 990 REPORTING PURPOSES.																													
FORM 990, PART IX, LINE 11G - OTHER FEES FOR SERVICES	<table border="1"> <thead> <tr> <th data-bbox="513 325 768 394">(a) Description</th> <th data-bbox="773 325 938 394">(b) Total Expenses</th> <th data-bbox="943 325 1109 394">(c) Program Service Expenses</th> <th data-bbox="1114 325 1279 394">(d) Management and General Expenses</th> <th data-bbox="1284 325 1450 394">(e) Fundraising Expenses</th> </tr> </thead> <tbody> <tr> <td data-bbox="513 394 768 464">UNIVERSITY OF LOUISVILLE SALARY AND BENEFIT ALLOCATIONS</td> <td data-bbox="773 394 938 464">270,225,140</td> <td data-bbox="943 394 1109 464">263,521,416</td> <td data-bbox="1114 394 1279 464">6,703,724</td> <td data-bbox="1284 394 1450 464"></td> </tr> <tr> <td data-bbox="513 464 768 512">RESEARCH SUBCONTRACTING</td> <td data-bbox="773 464 938 512">10,845,607</td> <td data-bbox="943 464 1109 512">10,845,607</td> <td data-bbox="1114 464 1279 512"></td> <td data-bbox="1284 464 1450 512"></td> </tr> <tr> <td data-bbox="513 512 768 560">MEDICAL SUBCONTRACTING</td> <td data-bbox="773 512 938 560">38,220,886</td> <td data-bbox="943 512 1109 560">38,220,886</td> <td data-bbox="1114 512 1279 560"></td> <td data-bbox="1284 512 1450 560"></td> </tr> <tr> <td data-bbox="513 560 768 609">OTHER CONSULTING AND SERVICES</td> <td data-bbox="773 560 938 609">5,985,764</td> <td data-bbox="943 560 1109 609">4,582,359</td> <td data-bbox="1114 560 1279 609">1,403,405</td> <td data-bbox="1284 560 1450 609"></td> </tr> </tbody> </table>					(a) Description	(b) Total Expenses	(c) Program Service Expenses	(d) Management and General Expenses	(e) Fundraising Expenses	UNIVERSITY OF LOUISVILLE SALARY AND BENEFIT ALLOCATIONS	270,225,140	263,521,416	6,703,724		RESEARCH SUBCONTRACTING	10,845,607	10,845,607			MEDICAL SUBCONTRACTING	38,220,886	38,220,886			OTHER CONSULTING AND SERVICES	5,985,764	4,582,359	1,403,405	
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SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

OMB No. 1545-0047

2016

Open to Public Inspection

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
▶ Attach to Form 990.
▶ Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization

UNIVERSITY OF LOUISVILLE RESEARCH FOUNDATION

Part I Identification of Disregarded Entities. Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) _____					
(2) _____					
(3) _____					
(4) _____					
(5) _____					
(6) _____					

Part II Identification of Related Tax-Exempt Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) UNIVERSITY OF LOUISVILLE (61-1014882) UNIVERSITY OF LOUISVILLE, LOUISVILLE, KY 40292	EDUCATION	KY		N/A			✓
(2) UNIVERSITY OF LOUISVILLE ATHLETIC ASSOCIATION, INC. (31-1108841) UNIVERSITY OF LOUISVILLE, LOUISVILLE, KY 40292	EDUCATION	KY	501(C)(3)	11	UNIVERSITY OF LOUISVILLE		✓
(3) UNIVERSITY OF LOUISVILLE MEDICAL SCHOOL FUND, INC. (61-0888728) UNIVERSITY OF LOUISVILLE, LOUISVILLE, KY 40292	EDUCATION	KY	501(C)(3)	11	UNIVERSITY OF LOUISVILLE		✓
(4) UNIVERSITY PHYSICIANS GROUP, INC. (61-1348817) 323 EAST CHESTNUT STREET, LOUISVILLE, KY 40202-1823	MEDICAL CARE	KY	501(C)(3)	3	UNIVERSITY OF LOUISVILLE		✓
(5) UNIVERSITY OF LOUISVILLE MEDICAL SCHOOL PRACTICE ASSOC. (61-1280163) 550 SOUTH JACKSON STREET, LOUISVILLE, KY 40202	MEDICAL CARE	KY	501(C)(3)	7	UNIVERSITY OF LOUISVILLE		✓
(6) _____							
(7) _____							

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Cat. No. 50135Y

Schedule R (Form 990) 2016

Part III Identification of Related Organizations Taxable as a Partnership. Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?	(k) Percentage ownership
							Yes	No			
(1)											
(2)											
(3)											
(4)											
(5)											
(6)											
(7)											

Part IV Identification of Related Organizations Taxable as a Corporation or Trust. Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
(1)									
(2)									
(3)									
(4)									
(5)									
(6)									
(7)									

Part V Transactions With Related Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

Note: Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

		Yes	No
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a	Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity		✓
b	Gift, grant, or capital contribution to related organization(s)		✓
c	Gift, grant, or capital contribution from related organization(s)		✓
d	Loans or loan guarantees to or for related organization(s)		✓
e	Loans or loan guarantees by related organization(s)		✓
f	Dividends from related organization(s)		✓
g	Sale of assets to related organization(s)		✓
h	Purchase of assets from related organization(s)		✓
i	Exchange of assets with related organization(s)		✓
j	Lease of facilities, equipment, or other assets to related organization(s)		✓
k	Lease of facilities, equipment, or other assets from related organization(s)		✓
l	Performance of services or membership or fundraising solicitations for related organization(s)		✓
m	Performance of services or membership or fundraising solicitations by related organization(s)		✓
n	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)		✓
o	Sharing of paid employees with related organization(s)		✓
p	Reimbursement paid to related organization(s) for expenses		✓
q	Reimbursement paid by related organization(s) for expenses		✓
r	Other transfer of cash or property to related organization(s)		✓
s	Other transfer of cash or property from related organization(s)		✓

	(a) Name of related organization	(b) Transaction type (8-8)	(c) Amount involved	(d) Method of determining amount involved
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

Part VI **Unrelated Organizations Taxable as a Partnership.** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1)													
(2)													
(3)													
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(16)													

UNIVERSITY OF LOUISVILLE RESEARCH FOUNDATION, INC.

A Component Unit of the University of Louisville

**Auditor's Report and Financial Statements
June 30, 2017 and 2016**

UNIVERSITY OF LOUISVILLE RESEARCH FOUNDATION, INC.

A Component Unit of the University of Louisville

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
University of Louisville Research Foundation, Inc.
Louisville, Kentucky

Report on the Financial Statements

We have audited the accompanying financial statements of University of Louisville Research Foundation, Inc. (Research Foundation), a component unit of the University of Louisville, as of and for the years ended June 30, 2017 and 2016, and the related notes to the financial statements, which collectively comprise the Research Foundation's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Research Foundation, as of June 30, 2017 and 2016, and the changes in its financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 12, and the Schedule of Funding Progress on page 30, to be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Crowe Horwath LLP

Crowe Horwath LLP

Louisville, Kentucky
October 19, 2017

UNIVERSITY OF LOUISVILLE RESEARCH FOUNDATION, INC.

A Component Unit of the University of Louisville

Management's Discussion and Analysis (Unaudited)

Introduction

The following discussion and analysis provides an overview of the financial position and activities of the University of Louisville Research Foundation, Inc. (Research Foundation) for the years ended June 30, 2017, 2016, and 2015. This discussion has been prepared by management and should be read in conjunction with the financial statements and the notes thereto, which follow this section.

The Research Foundation is a non-profit corporation affiliated with the University of Louisville (University), a state-supported metropolitan research university located in Kentucky's largest city. The Research Foundation was established in 1989 for the purpose of promoting and supporting research projects, investigations, and other activities relating to the educational, scientific, literary, artistic, health care and public service missions of the University.

The University's strategic plan guides the Research Foundation's program. The Research Foundation accepts funding for research, training, and service from extramural sources and has maintained progress towards the goals established by the Kentucky Council on Postsecondary Education. During the fiscal year ended June 30, 2017, total awards were \$147.8 million, an increase of \$13.2 million or 9.8%, as compared to fiscal year 2016. Some of the funding highlights include:

- \$4.1 million from the Ky. Counsel on Postsecondary Ed. for Tobacco Tax Funding-Cancer Research
- \$3.9 million from Regenerex for FCRx Manufacturing and R & D
- \$3.7 million from the Ky. Counsel on Postsecondary Ed. for the Kentucky Lung Cancer Research Program
- \$3.6 million from the National Institutes of Health (NIH) for Kentucky IDeA Networks of Biomedical Research Excellence

The Research Foundation faculty continued to receive national recognition. Doctor Aruni Bhatnagar was named Research Exemplar in Biomedical Sector. Dr. Bhatnagar is a leading environmental health scientist who led the creation of the field of environmental cardiology. Through multidisciplinary approaches, he has identified the influence of environmental factors that contribute to systemic inflammation and cardiovascular disease risk. His work has extended from basic bench research to national and global policy.

Financial Highlights

- The Research Foundation's financial position remains strong at June 30, 2017, with total assets of \$105.9 million and liabilities of \$56.0 million as compared to June 30, 2016 at \$116.5 million of total assets and \$54.5 million of liabilities. Net position, which represent the residual interest in the Research Foundation's assets after liabilities are deducted, was \$49.8 million and \$62.0 million for the years ended June 30, 2017 and 2016, respectively.
- The Research Foundation's total liabilities of \$56.0 million contain grant advances. Grant advances represent the unearned portion of grants and sponsored programs and comprise \$2.6 million or 4.7% of total liabilities.

- Operating revenues amounted to \$363.1 million and \$365.6 million and operating expenditures were \$415.6 million and \$409.6 million resulting in a net operating loss of \$52.5 million and \$44.0 million for the years ended June 30, 2017 and 2016, respectively. When adjusted for net nonoperating revenues of \$40.4 million and \$33.2 million, net position of the Research Foundation decreased by \$12.1 million and \$10.8 million for the years ended June 30, 2017, and 2016, respectively.

Using the Financial Statements

The Research Foundation's financial report includes the Statement of Net Position; the Statement of Revenues, Expenses and Changes in Net Position; and the Statement of Cash Flows. These financial statements are prepared in accordance with Government Accounting Standards Board (GASB) principles. The Research Foundation is presented here as a single entity and is also included in the financial statements of the University.

GASB Statement No. 35, *Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities*, requires the Research Foundation to present a classified Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position. Significant presentations under GASB Statement No. 35 with respect to the Research Foundation financial statements are as follows:

- Revenues and expenses are categorized as either operating or nonoperating. Certain revenues, including state appropriations, gifts, Pell and similar nonexchange grants, and investment income (loss) are considered nonoperating, as defined by GASB Statement No. 35. The Research Foundation's nonoperating revenues consist mainly of \$44.6 million and \$43.4 million in nonexchange grants and contract revenue for the years ended June 30, 2017 and 2016, respectively. These revenues relate to nonexchange transactions in which the Research Foundation is the beneficiary.
- Unexpended cash advances received for grants and sponsored programs are recorded as grant advances rather than as income when received. Such grant advance balances totaled \$2.6 million and \$2.0 million as of June 30, 2017 and 2016, respectively.
- Capital assets are depreciated and reported net of accumulated depreciation. The Research Foundation's capital assets as of June 30, 2017 and 2016 consist primarily of buildings, equipment and library materials with a net position value of \$61.7 million and \$66.0 million, respectively.

Statements of Net Position

The statements of net position present the financial position of the Research Foundation at the end of the fiscal year and include all assets and liabilities. Net position represents the difference between total assets and total liabilities and provides a snapshot of the current financial condition of the Research Foundation at the end of a fiscal year. The change in net position indicates whether the Research Foundation accumulated or consumed resources during the year. Assets and liabilities are generally measured using current values. Capital assets are stated at historical cost less accumulated depreciation.

A condensed version of the Research Foundation's assets, liabilities and net position at June 30, 2017, 2016, and 2015 is summarized on the following page:

Condensed Statements of Net Position
June 30, 2017, 2016, and 2015
(In Thousands)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2017 - 2016</u> Change	<u>2016 - 2015</u> Change
ASSETS					
Current assets	\$ 37,763	\$ 49,750	\$ 41,899	\$ (11,987)	\$ 7,851
Capital assets	61,726	65,989	70,132	(4,263)	(4,143)
Other noncurrent assets	6,374	719	735	5,655	(16)
Total assets	<u>105,863</u>	<u>116,458</u>	<u>112,766</u>	<u>(10,595)</u>	<u>3,692</u>
LIABILITIES					
Current liabilities	40,527	41,822	28,926	(1,295)	12,896
Noncurrent liabilities	15,514	12,684	11,120	2,830	1,564
Total liabilities	<u>56,041</u>	<u>54,506</u>	<u>40,046</u>	<u>1,535</u>	<u>14,460</u>
NET POSITION					
Net investment in capital assets	61,726	65,989	70,132	(4,263)	(4,143)
Restricted - expendable	24,465	21,791	7,490	2,674	14,301
Unrestricted	(36,369)	(25,828)	(4,902)	(10,541)	(20,926)
Total net position	<u>\$ 49,822</u>	<u>\$ 61,952</u>	<u>\$ 72,720</u>	<u>\$ (12,130)</u>	<u>\$ (10,768)</u>

Assets

A review of the Research Foundation's statement of net position at June 30, 2017 indicates that the Research Foundation is liquid with nearly \$37.8 million in current assets. Of the \$37.8 million in current assets, \$36.7 million, or 97%, consists of accounts receivable that are to be collected within the next year.

Noncurrent assets consist mainly of \$61.7 million of capital assets, which decreased due to \$7.1 million in depreciation offset by additional capital assets of \$2.9 million.

Liabilities

The Research Foundation's current liabilities consist of amounts due to the University of \$21.9 million for funding of operational expenses. This amount decreased \$4.7 million from the prior year. Additionally, current liabilities include \$2.6 million of unexpended cash advances for sponsored research activities, an increase of \$.7 million compared to June 30, 2016. The Research Foundation is required to set up a liability when awards are paid in advance, as they are responsible for paying back any unused funds to the sponsor. The remaining \$16.0 million of current liabilities relates to trade accounts payable and other accrued liabilities. The Research Foundation's allocated portion of other post-employment benefits totals \$17.2 million, with the \$1.7 million current portion included in accounts payable and accrued expenses and the remainder shown as other long-term liabilities.

Net Position

Net position represents the residual interest in the Research Foundation's assets after liabilities are deducted. The Research Foundation's net position at June 30, 2017 and 2016 was \$49.8 million and \$62.0 million, respectively. They are summarized into the three major categories in accordance with GASB Statement No. 35 and GASB Statement No. 63 reporting requirements as follows:

Net investment in capital assets

The Research Foundation's net investments in capital assets represents construction in progress, buildings, equipment and depreciable library materials, net of accumulated depreciation. There is no debt attributable to the acquisition, construction or improvement of those assets. Capital assets decreased by \$4.3 million from 2016. This decrease reflects \$7.1 million of depreciation and additions of \$2.9 million.

Restricted expendable net position

Restricted expendable net position represents funds primarily from fixed payment contracts that are subject to externally imposed restrictions governing their use. Net position results from the excess of contract revenues over expenses incurred through June 30, 2017. The amounts remain restricted until the contract is completed.

Restricted expendable net position increased \$2.7 million, or 12%. The overall increase is due mainly to an increase in nongovernmental grants.

Unrestricted net position

Unrestricted net position decreased by \$10.5 million. The decrease in unrestricted net position results primarily from actual operating expenses exceeding clinical services and fixed contract revenues.

Fiscal Year 2016

The Research Foundation's financial position as of the fiscal year ended June 30, 2016 shows an increase in assets and an increase in liabilities with an overall decrease in net position. Assets increased during the fiscal year ended June 30, 2016 by \$3.7 million, or 3%, as compared to the fiscal year ended June 30, 2015. This increase was due mainly to the \$7.9 million increase in current accounts receivable and \$4.1 million decrease in capital assets. The increase in liabilities mainly resulted from the increase in amount due to the University, which increased \$20.6 million from the fiscal year ended June 30, 2015.

Net position decreased \$10.8 million, or 14.8%, compared to net position at June 30, 2015 due mainly to the \$20.9 million decrease in unrestricted net position for operating expenses exceeding revenues.

Statements of Revenues, Expenses and Changes in Net Position

The statements of revenues, expenses and changes in net position present the Research Foundation's results of operations. A condensed version of the Research Foundation's revenues, expenses and changes in net position for the years ended June 30, 2017, 2016, and 2015 is shown on the following page:

Condensed Statements of Revenues, Expenses and Changes in Net Position
Years ended June 30, 2017, 2016, and 2015
(In Thousands)

	2017	2016	2015	2017 - 2016 Change	2016 - 2015 Change
OPERATING REVENUES					
Clinical services	\$ 245,135	\$ 233,981	\$ 222,445	\$ 11,154	\$ 11,536
Grants and contracts	89,728	103,121	89,924	(13,393)	13,197
Facilities and administrative cost recoveries	25,064	24,611	22,596	453	2,015
Other operating revenues	3,214	3,897	2,160	(683)	1,737
Total operating revenues	<u>363,141</u>	<u>365,610</u>	<u>337,125</u>	<u>(2,469)</u>	<u>28,485</u>
OPERATING EXPENSES					
Depreciation	7,072	7,914	8,470	(842)	(556)
Other operating expenses	408,596	401,675	388,139	6,921	13,536
Total operating expenses	<u>415,668</u>	<u>409,589</u>	<u>396,609</u>	<u>6,079</u>	<u>12,980</u>
Operating loss	<u>(52,527)</u>	<u>(43,979)</u>	<u>(59,484)</u>	<u>(8,548)</u>	<u>15,505</u>
NONOPERATING REVENUES (EXPENSES)					
Nonexchange grants and contracts	44,629	43,417	43,313	1,212	104
Other nonoperating revenues	(4,232)	(7,118)	11,108	2,886	(18,226)
Total nonoperating revenues	<u>40,397</u>	<u>33,211</u>	<u>54,421</u>	<u>7,186</u>	<u>(21,210)</u>
Decrease in net position	<u>(12,130)</u>	<u>(10,768)</u>	<u>(5,063)</u>	<u>(1,362)</u>	<u>(5,705)</u>
NET POSITION					
Net position, beginning of year	61,952	72,720	77,783	(10,768)	(5,063)
Net position, end of year	<u>\$ 49,822</u>	<u>\$ 61,952</u>	<u>\$ 72,720</u>	<u>\$ (12,130)</u>	<u>\$ (10,768)</u>

Operating Revenues

The Research Foundation recognized \$363.1 million in operating revenues for the year ended June 30, 2017. This represents a minimal decrease in revenues from the \$365.6 million reported for the year ended June 30, 2016.

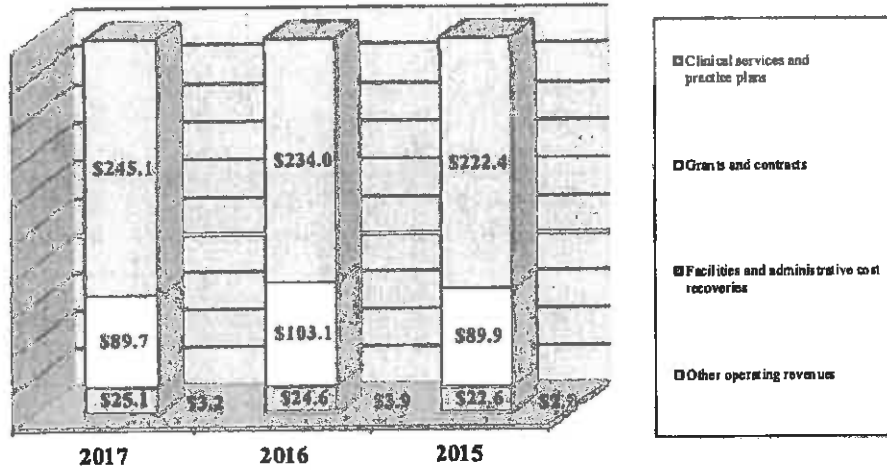
Revenues from clinical services were \$245.1 million for the year ended June 30, 2017. This is an increase of approximately \$11.1 million, or 5%, compared to \$234.0 million in similar revenues reported for the year ended June 30, 2016. The majority of the increase is attributed to increases in Medicaid related patient and intergovernmental transfers.

Revenues from grants and contracts were \$89.7 million for the year ended June 30, 2017 as compared to \$103.1 million in revenues reported in the previous year. This includes a decrease of \$12.1 million in nongovernmental grants and contracts and a decrease of \$1.5 million in federal grants and contracts. The decrease was partially offset by a \$0.1 million increase in state and local grants for the year ended June 30, 2017, as compared to the previous year.

Revenue from facilities and administrative cost recoveries were \$25.1 million and \$24.6 million for the years ended June 30, 2017 and 2016, respectively. The Research Foundation, compensates the University for a portion of the cost recoveries in support of University expenditures. For the years ended June 30, 2017 and 2016, approximately \$10.9 million and \$10.0 million, respectively, were transferred to the University for this purpose.

The following is a graphic illustration of the Research Foundation's operating revenues by major source for the years ended June 30, 2017, 2016, and 2015 (in millions).

**Operating Revenues
Years Ended June 30, 2017, 2016, and 2015**

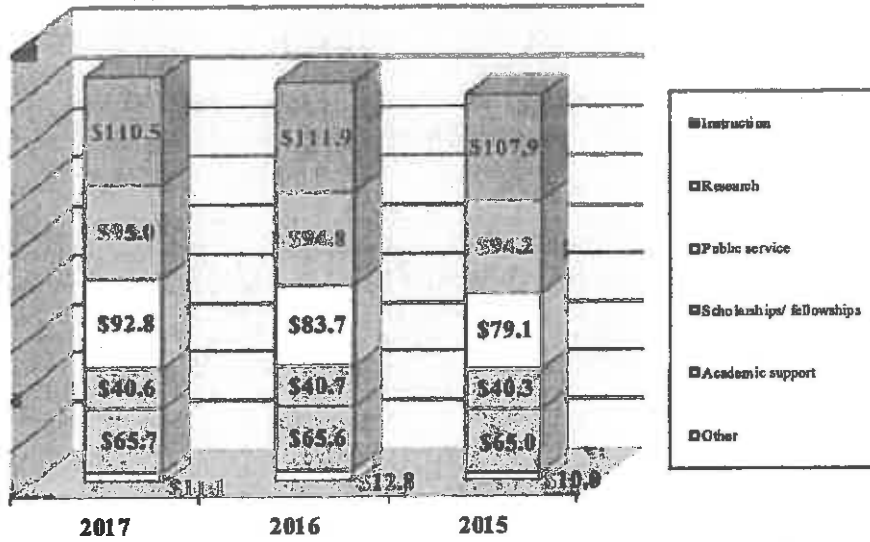


Operating Expenses by Functional and Natural Class

Total operating expenses were \$415.7 million and \$409.6 million for the fiscal years ended June 30, 2017 and 2016, respectively. The primary reason for the increase of \$6.1 million, or 1%, is an increase of \$5.6 million in salary expense as shown in the operating expenses by natural classification chart on the following page. Expenses in functional classification for instruction, research and public service all increased due to the increases in salaries.

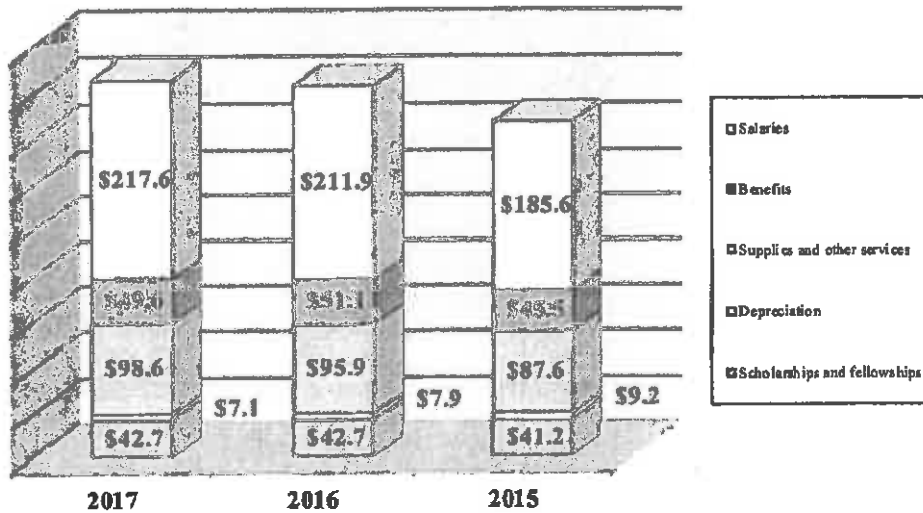
The following is a graphic illustration of total operating expenses by function for the years ended June 30, 2017, 2016 and 2015 (in millions):

**Operating Expenses by Functional Classification
Years ended June 30, 2017, 2016, and 2015**



The following is a graphic illustration of total operating expenses by natural classification for the years ended June 30, 2017, 2016 and 2015 (in millions):

**Operating Expenses by Natural Classification
Years ended June 30, 2017, 2016, and 2015**



Nonoperating Revenues (Expenses)

The Research Foundation's total nonoperating revenues of \$40.4 million for fiscal year ended June 30, 2017, was mostly comprised of nonexchange grants and contract revenues of \$44.6 million and transfer expenses of \$(7.1) million. Total nonoperating revenues increased by \$7.2 million as compared to fiscal year ended June 30, 2016. The increase is attributed to an increase in other nonoperating income of \$1.7 million, an increase in nonexchange grants and contracts of \$1.2 million and a reduction of contributions to related entities of \$4.2 million in fiscal year ending June 30, 2017.

Fiscal Year 2016

For the year ended June 30, 2016, Research Foundation reported \$365.6 million in operating revenues, an increase of 8% compared to the \$337.1 million reported for the year ended June 30, 2015.

Revenues from clinical services were \$234.0 million for fiscal year 2016, an increase of 5% from the fiscal year ended June 30, 2015. The majority of the increase is attributed to increases in Medicaid related patient and intergovernmental transfers.

Revenue from facilities and administrative cost recoveries were \$24.6 million and \$22.6 million for the years ended June 30, 2016 and 2015, respectively. The Research Foundation transferred approximately \$10.0 million and \$9.0 million during the years ended June 30, 2016 and 2015, respectively, in recognition of indirect support provided by the University.

Total operating expenses were \$409.6 million and \$396.6 million for the fiscal years ended June 30, 2016 and 2015, respectively. The increase of \$13.0 million, or 3%, was an increase in salary expense in the operating expenses by natural classification.

Statements of Cash Flows

The statements of cash flows provide information about the Research Foundation's cash position by reporting the sources and uses of cash during the year. Cash inflows and outflows are categorized as operating, noncapital financing, capital financing and investing activities.

Condensed statements of the Research Foundation's cash flows for the years ended June 30, 2017, 2016, and 2015, are summarized on the following page:

Condensed Statements of Cash Flows
Years ended June 30, 2017, 2016, and 2015
(In Thousands)

	2017	2016	2015	2017 - 2016 Change	2016 - 2015 Change
Cash (used)/provided by:					
Operating activities	\$ (26,890)	\$ (49,994)	\$ (47,088)	\$ 23,104	\$ (2,906)
Noncapital and related financing activities	29,710	53,750	50,527	(24,040)	3,223
Capital financing activities	(2,877)	(3,809)	(4,247)	932	438
Investing activities	57	53	808	4	(755)
Net decrease in cash	-	-	-	-	-
Cash and cash equivalents, beginning of year	-	-	-	-	-
Cash and cash equivalents, end of year	\$ -	\$ -	\$ -	\$ -	\$ -

Operating Activities

The Research Foundation's operating activities used approximately \$26.9 million of cash during the fiscal year ended June 30, 2017, representing a decrease of \$23.1 million compared to the prior year. While overall operating activities experienced a decrease in cash activities, the most significant were the decrease in cash outflow from payments for suppliers of \$2.2 million and the increase in cash inflow for clinical services of \$11.8 million from operations during the fiscal year ended June 30, 2017.

Other Activities

The \$29.7 million cash provided by noncapital and related financing activities relates mainly to the \$44.6 million provided by nonexchange grants and contracts and offset by a decrease in due to the University of \$10.6 million. It also includes the Research Foundation's transfer of \$7.1 million to the University as reimbursement for indirect charges to support the use of buildings and labs. In total, cash provided by noncapital and related financing activities decreased \$24.0 million from the fiscal year ended June 30, 2016.

Cash used for capital financing activities decreased \$0.9 million to \$2.9 million during the fiscal year ended June 30, 2017, due to a decrease in capital assets purchased.

Fiscal Year 2016

The Research Foundation operating activities used approximately \$50.0 million of cash during the fiscal year ended June 30, 2016, representing an increase of \$2.9 million compared to the prior year. While all categories of operating activities experienced an increase in cash activities the most significant were the increase in cash inflow from grants and contracts of \$6.9 million and the increase in cash outflow for payments to employees of \$10.1 million from operations during the fiscal year ended June 30, 2016.

The \$53.8 million cash provided by noncapital and related financing activities relates mainly to the \$43.4 million provided by nonexchange grants and contracts and an increase in funding from the University of \$20.6 million. It also includes the Research Foundation's transfer of \$10.0 million to the University as reimbursement for indirect charges to support the use of buildings and labs. In total, cash provided by noncapital and related financing activities increased \$3.2 million from the fiscal year ended June 30, 2015.

Economic Factors that May Affect the Future

The University is committed to achieving preeminence as a nationally recognized metropolitan research university. Senior leadership continues to believe the University is financially well-positioned to educate and serve its community through:

- Teaching diverse undergraduate, graduate, and professional students in order to develop engaged citizens, leaders, and scholars,
- Practicing and applying research, scholarship and creative activity, and
- Providing engaged service and outreach that improve the quality of life for local and global communities.

The following is a brief discussion of economic and other factors that could have an impact on the University in the future:

- At the national level, moderate growth in gross domestic product and a relatively improved unemployment picture suggest a stable near-term economic outlook for the country. However, proposed decreases in funding to the National Institutes of Health, which funds many research projects across the country including at UofL, and the amount of overhead that universities can recover for supporting federally-funded research, could have a negative impact on UofL if approved. The University continues to monitor the situation.
- The economic outlook for the Commonwealth of Kentucky is mixed. Personal income could grow 4.4 percent in FY 2018 compared to an expected 4.2 percent for the nation. Employment, though, continues to lag the country following the Great Recession. While national unemployment rates have dropped below 4.5 percent after peaking at 10 percent in 2009, Kentucky's unemployment rate was 5.1 percent in June 2017.
- The state ended FY 2017 with a \$138 million revenue shortfall. Although the state balanced its books using a variety of short-term mechanisms, uncertainty exists about state finances for FY 2018 and beyond. In order to avoid further reductions in spending, state revenues will have to increase at a higher-than-anticipated pace. Persistent pressure to increase funding to the state's public pension system—which remains one of the lowest funded in the nation—could affect state appropriations to public universities, even if revenues increase. The University does not participate in these pension plans and is subject only to indirect effects of their funding shortfall.
- To help reduce the state's pension liability, Governor Matt Bevin has expressed a strong desire to modernize the state's tax code and increase tax revenues. Expected legislative action could occur as early as this fall. Approved changes could influence the development of the state's 2018-2020 biennial budget. The legislature must adopt a biennial budget by April 2018.
- Relatedly, a performance-funding model for public universities and colleges, first implemented in FY 2017, remains in place. Under existing statute, FY 2019 is a hold-harmless year; public universities and colleges will not lose state funds based on performance. In FY 2020 and beyond, a portion of each university's state appropriation will depend upon how it performs on several student and operational metrics relative to the other universities.
- Despite continued funding challenges at both the state and federal levels, the University has made significant progress in meeting its 2020 goals. Student enrollment remains steady. Demand, as measured by student applications, is strong.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the University's finances and to show the University's accountability for the money it receives. Questions about this report and requests for additional financial information should be directed to the Controller, University of Louisville, Louisville, KY 40292.

University of Louisville Research Foundation, Inc.
A Component Unit of the University of Louisville
Statements of Net Position
As of June 30, 2017 and 2016
(In Thousands)

	<u>2017</u>	<u>2016</u>
ASSETS		
Current Assets:		
Accounts receivable, net	\$ 36,730	\$ 49,049
Due from Affiliate	296	-
Inventories	455	395
Other assets	282	306
Total current assets	<u>37,763</u>	<u>49,750</u>
Noncurrent Assets:		
Accounts receivable, net	742	717
Other long-term assets	2	2
Due from Affiliate	5,630	-
Capital assets, net	61,726	65,989
Total noncurrent assets	<u>68,100</u>	<u>66,708</u>
Total assets	<u>105,863</u>	<u>116,458</u>
LIABILITIES		
Current Liabilities:		
Accounts payable and accrued liabilities	16,014	13,275
Due to University of Louisville	21,904	26,610
Grant advances	2,609	1,937
Total current liabilities	<u>40,527</u>	<u>41,822</u>
Noncurrent Liabilities:		
Other long-term liabilities	15,514	12,684
Total noncurrent liabilities	<u>15,514</u>	<u>12,684</u>
Total liabilities	<u>56,041</u>	<u>54,506</u>
NET POSITION		
Net investment in capital assets	61,726	65,989
Restricted - expendable for:		
Research	16,799	14,888
Instruction	7	223
Public service	3,981	5,669
Scholarships and fellowships	3	-
Academic support	6	6
Institutional Support	3,669	1,005
Unrestricted	(36,369)	(25,828)
Total net position	<u>\$ 49,822</u>	<u>\$ 61,952</u>

See notes to the financial statements

University of Louisville Research Foundation, Inc.
A Component Unit of the University of Louisville
Statements of Revenues, Expenses and Changes in Net Position
For the Years Ended June 30, 2017 and 2016
(In Thousands)

	2017	2016
OPERATING REVENUES		
Clinical services, net of contractual allowances of \$93,200 in 2017 and \$88,870 in 2016	\$ 245,135	\$ 233,981
Federal grants and contracts	68,161	69,613
State and local grants and contracts	8,881	8,734
Nongovernmental grants and contracts	12,686	24,774
Other operating revenue	3,214	3,897
Facilities and administrative cost recoveries	25,064	24,611
Total operating revenues	363,141	365,610
OPERATING EXPENSES		
Instruction	110,507	111,859
Research	94,950	94,815
Public service	92,794	83,701
Scholarships and fellowships	40,553	40,739
Academic support	65,717	65,583
Institutional support	3,598	4,897
Operation and maintenance of plant	464	67
Depreciation	7,072	7,914
Student services	8	9
Service centers	5	5
Total operating expenses	415,668	409,589
Operating loss	(52,527)	(43,979)
NONOPERATING REVENUES (EXPENSES)		
Gifts	886	1,491
Nonexchange grants and contracts	44,629	43,417
Investment income	8	10
Net realized and unrealized gain on investments	57	53
Other nonoperating income	1,902	161
Net nonoperating revenues	47,482	45,132
Contributions to related entities	(4,594)	(8,833)
Contributions to Affiliate	(2,491)	(3,088)
Total other revenues	40,397	33,211
Decrease in net position	(12,130)	(10,768)
NET POSITION		
Net position - beginning of year	61,952	72,720
Net position - end of year	\$ 49,822	\$ 61,952

See notes to the financial statements

University of Louisville Research Foundation, Inc.
A Component Unit of the University of Louisville
Statements of Cash Flows
For the Years Ended June 30, 2017 and 2016
(In Thousands)

	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Clinical services	\$ 240,755	\$ 228,962
Grants and contracts	101,386	93,990
Facilities and administrative cost recoveries	25,064	24,611
Other operating revenue	3,212	4,234
Payments to employees	(212,169)	(211,528)
Payments for benefits	(46,774)	(49,644)
Payments for scholarships and fellowships	(42,707)	(42,716)
Payments to suppliers	(95,657)	(97,903)
Net cash used by operating activities	<u>(26,890)</u>	<u>(49,994)</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
Contributions to/from related entities	(7,085)	(11,921)
Gifts	886	1,491
Nonexchange grants and contracts	44,628	43,417
Due to (due from) University of Louisville	(10,630)	20,595
Other noncapital financing activity	1,911	168
Net cash provided by noncapital and related financing activities	<u>29,710</u>	<u>53,750</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of capital assets	(2,877)	(3,809)
Net cash used by capital and related financing activities	<u>(2,877)</u>	<u>(3,809)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Sales of investments	57	53
Net cash provided by investing activities	<u>57</u>	<u>53</u>
Net decrease in cash and cash equivalents	-	-
Cash and cash equivalents - beginning of year	-	-
Cash and cash equivalents - end of year	<u>-</u>	<u>-</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating loss	(52,527)	(43,979)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Depreciation	7,072	7,914
Loss on disposal of equipment	67	39
Changes in assets and liabilities:		
Accounts receivable, net	12,294	(7,944)
Inventories	(60)	(21)
Other assets	24	132
Accounts payable and accrued liabilities	2,739	(1,856)
Grant advances	673	(5,845)
Other long-term liabilities	2,828	1,566
Net cash used by operating activities	<u>\$ (26,890)</u>	<u>\$ (49,994)</u>

See notes to the financial statements

University of Louisville Research Foundation, Inc.

A Component Unit of the University of Louisville

Notes to Financial Statements

June 30, 2017 and 2016

1. Organizations and Summary of Significant Accounting Policies

The University of Louisville Research Foundation, Inc. (the Research Foundation) is affiliated with the University of Louisville (the University) through common management and substantially the same Board of Directors. The Research Foundation is consolidated into the University's financial statements. The Research Foundation is a separate corporation organized for the purpose of conducting the research, clinical operations, and other sponsored activities of the University. The significant accounting policies followed by the Research Foundation are described below.

a. Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Government Accounting Standards Board (GASB).

The financial statements of the University have been prepared on the accrual basis of accounting. Revenues, expenses, gains, losses, assets, liabilities and deferred inflows and outflows of resources from exchange and exchange-like transactions are recognized when the exchange transaction takes place, while those from government-mandated nonexchange transactions (principally federal and state grants and state appropriations) are recognized when all applicable eligibility requirements are met. Internal activity and balances are eliminated in preparation of the financial statements unless they relate to services provided and used internally. Operating revenues and expenses include exchange transactions and program-specific, government-mandated nonexchange transactions. Government-mandated nonexchange transactions that are not program specific, investment income and interest on capital asset-related debt are included in nonoperating revenues and expenses. The University first applies restricted net position when an expense or outlay is incurred for purposes for which both restricted and unrestricted net position are available.

The financial statements of the Research Foundation can be found online at the following:
<http://louisville.edu/finance/controller/univacct/finst-1>

b. Cash and Cash Equivalents

The Research Foundation considers all investments with an original maturity of three months or less to be cash equivalents.

c. Accounts Receivable

Accounts receivable consists of clinical and sponsored agreement charges. Clinical receivables are comprised of patient and insurance charges. Healthcare entities are charged for contracted staff support services. Sponsored agreement receivables relate to sponsored programs that support the Research Foundation. Accounts receivable are recorded net of estimated uncollectible amounts.

d. Inventories

Inventories are stated at the lower of cost or market on a first-in, first-out (FIFO) basis.

e. Capital Assets

Equipment and library books of the Research Foundation are stated at cost or, in the case of donated capital assets, estimated acquisition value at date of receipt from donors.

Movable equipment costing \$5,000 and greater and having a useful life greater than one year are capitalized. Renovations to buildings, infrastructure and land improvements, if any, that significantly increase the value or extend the useful life of the structure and are in excess of \$100,000 are capitalized. Necessary and routine repairs and maintenance are charged to operating expense in the year the expense is incurred.

Depreciation of capital assets is computed on a straight-line basis over the estimated useful lives of the respective assets as follows: buildings - 40 years or componentized using 15-50 years, library books - 10 years, and equipment - 3 to 20 years. The Research Foundation capitalizes, but does not depreciate, works of art and rare books.

Prior to July 1, 2002 it was the policy of the University to record all capital assets purchased by the Research Foundation as property of the University.

f. Classification of Revenues

The Research Foundation has classified its revenues as either operating or nonoperating revenues according to the following criteria:

Operating revenues include activities that have the characteristics of exchange transactions, such as (1) clinical services, (2) grants and contracts, and (3) facilities and administrative cost recoveries.

Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as Pell and other grants and contracts, gifts and contributions, and other revenue sources that are defined as nonoperating revenues by GASB No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Government Entities That Use Proprietary Fund Accounting*, and GASB No. 34, *Basic Financial Statements-And Managements Discussion and Analysis-For State and Local Governments*.

g. Deferred Inflows of Resources and Net Position

In addition to assets, GASB No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, requires the presentation of a separate financial statement element, deferred outflows of resources, which represents a consumption of net position that applies to future periods. The Research Foundation has no items that qualify for reporting in this category.

In addition to liabilities, GASB No. 63 requires the presentation of a separate financial statement element, deferred inflows of resources, which represents an acquisition of net position that applies to future periods. The Research Foundation has no items that qualify for reporting in this category.

h. Net Clinical Services Revenue

The Research Foundation has agreements with third-party payers that provide for payments to the Research Foundation at amounts different from its established rates. Net clinical services revenue is reported at the estimated net realizable amounts from patients, third-party payers and others for the services rendered and includes estimated retroactive revenue adjustments and a provision for uncollectible accounts. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered and such estimated amounts are revised in future periods as adjustments become known.

i. Grant Advances

The Research Foundation receives revenues relative to sponsored agreements via grants, contracts, or cooperative agreements. The flow of funds relative to these sponsored agreements is in the form of cost reimbursement or advanced funding.

In the case of cost reimbursement, the Research Foundation incurs costs on behalf of the granting authority and is then reimbursed for such costs pursuant to the terms of the sponsored agreement. Grant revenues are recognized as reimbursable costs are incurred.

In the case of advanced funding, the Research Foundation receives funds prior to incurring costs pursuant to the sponsored agreement, with the stipulation that these funds may have to be returned to the sponsor in the event the project is not completed to the sponsor's satisfaction. These funds, totaling approximately \$2.6 million and \$1.9 million as of June 30, 2017 and 2016, respectively, are recorded as a liability in the Research Foundation's financial statements as grant advances and recognized as revenue as reimbursable cost are incurred.

j. Compensated Absences

Research Foundation policies permit most employees to accumulate vacation and sick leave benefits that may be realized as paid time off or, in limited circumstances, as a cash payment. Expense and the related liability are recognized as the vacation or sick benefits are earned, whether the employee is expected to realize the benefit as time off or in cash. Compensated absence liabilities are computed using the regular pay and termination pay rates in effect at the statement of net position date plus an additional amount for compensation-related payments such as social security and Medicare taxes computed using rates in effect at that date.

k. Net Position

The net position of the Research Foundation is classified in three components. Net investment in capital assets consist of capital assets net of accumulated depreciation and reduced by the outstanding balances of borrowings used to finance the purchase or construction of those assets. Restricted expendable net position consists of noncapital assets that must be used for a particular purpose as specified by creditors, grantors or donors external to the Research Foundation. Unrestricted net position consists of the remaining assets less remaining liabilities that do not meet the definition of net investment in capital assets or restricted net position.

l. Government Grants

Support funded by grants is recognized as the Research Foundation performs the contracted services or incurs outlays eligible for reimbursement under the grant agreements. Grant activities

and outlays are subject to audit and acceptance by the granting agency and, as a result of such audit, adjustments could be made.

m. Tax Status

As an affiliate of a state institution of higher education, the income of the Research Foundation is generally exempt from federal and state income taxes under Section 115(a) of the Internal Revenue Code and a similar provision of state law. However, the Research Foundation is subject to federal income tax on any unrelated business income.

n. Use of Estimates

The preparation of the financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

o. Reclassifications

Certain 2016 amounts have been reclassified to conform to the 2017 presentation. The reclassifications more accurately represent revenue and expense activities in the categories presented on the statement of revenues, expense and changes in net position. These reclassifications had no effect on the change in net position.

2. Cash and Cash Equivalents

The Research Foundation maintains various deposits. Custodial credit risk for deposits is the risk that in the event of a bank failure, the Research Foundation's deposits or collateral securities may not be returned to it. For administrative convenience, cash balances of the Research Foundation are included in bank accounts maintained by the University. Details of accounting transactions affecting cash are maintained in such a manner as to ensure an appropriate segregation of amounts maintained by each entity.

The University currently uses commercial banks and the Commonwealth of Kentucky (the Commonwealth) as its depositories. Deposits with commercial banks are covered up to the limits federal depository insurance or collateral held by the bank in the University's name. At the Commonwealth, the University's accounts are pooled with other agencies of the Commonwealth. These Commonwealth-pooled deposits are substantially covered by federal depository insurance or by collateral held by the Commonwealth in the Commonwealth's name. The custodial credit risk for deposits is the risk that, in the event of failure of the counterparty to a transaction, a government will not be able to recover the value of the deposits. The Research Foundation does not have a formal policy addressing custodial credit risk.

3. Transactions with Related Entities

a. Contributions with Related Entities

The University provides certain facilities and administrative services to the Research Foundation for a share of the facilities and administrative cost recoveries. The current agreement provides for

a transfer of 80%, after certain deductions, of the amount realized. Transfers from the Research Foundation to the University for their portion of cost recoveries totaled \$10.9 million and \$10.0 million for the years ended June 30, 2017 and 2016, respectively. Additional research support transfers to the University totaled \$6.2 million for the year ending June 30, 2017.

The Research Foundation transferred \$5.5 million and \$5.2 million related to capital projects and debt service payments during the years ended June 30, 2017 and 2016, respectively, to the University. These transfers relate to certain capital projects, which are financed by the University, and as such, are recorded as assets of the University.

For each of the years ended June 30, 2017 and 2016, the Research Foundation was the recipient of \$6.3 million and \$5.0 million, respectively, from related entities to assist in funding cost share required by certain sponsored programs and grants.

Additionally, the Research Foundation transferred of \$0.3 million and received transfers of \$1.4 million from related entities for the years ended June 30, 2017 and 2016, respectively.

The Research Foundation transferred \$2.5 million and \$3.1 million for the years ended June 30, 2017 and 2016, respectively, to the PMOB, Inc. an affiliate entity, to fund shared construction cost of a pediatric building.

b. Receivables With Related Entities

In June 2016, the Research Foundation received a \$5.9 million unsecured, noninterest bearing note from University of Louisville Physicians, Inc., an affiliate entity, for past due fees owed the Research Foundation. The outstanding note balance is \$5.9 million as of June 2017.

c. Guarantees

A memorandum of understanding dated April 2017 between the Research Foundation and ULP establishes obligations of the Research Foundation in the event ULP does not meet certain requirements under a lease agreement with PMOB, Inc. PMOB, Inc. has a \$48.6 million loan with a financial institution to construct a medical office building. ULP entered into a lease with PMOB, Inc. for a majority of the space within the medical office building and to provide \$9.5 million of furniture, fixtures and equipment for the leased space. For as long as the loan agreement between PMOB, Inc. and the financial institution remains in effect, the Research Foundation has provided assurance through a guarantee that all of ULP's obligations due to PMOB, Inc. under the lease and any unfunded portion of the leased premise furniture, fixture and equipment will be paid. The Research Foundation's obligation shall not exceed funds received by the Research Foundation for services provided by ULP for clinical services as of the date of the memorandum of understanding.

A memorandum of understanding dated March 2017 between the Research Foundation and ULP establishes the obligation for the Research Foundation to make annual lump sum payments through July 2020 to a lending institution holding debt of ULP for the servicing of ULP scheduled debt payments. The payments made by the Research Foundation are for services rendered by ULP.

4. Accounts Receivable, net

Accounts receivable, net as of June 30, 2017 and 2016, are summarized as follows (in thousands):

	2017		Net Receivable
	Gross Receivable	Allowance	
Patient care	\$ 69,073	\$ (48,148)	\$ 20,925
Sponsored agreements	18,310	(1,763)	16,547
Total	<u>\$ 87,383</u>	<u>\$ (49,911)</u>	37,472
Current portion			36,730
Noncurrent portion			<u>\$ 742</u>

	2016		Net Receivable
	Gross Receivable	Allowance	
Patient care	\$ 72,045	\$ (42,072)	\$ 29,973
Sponsored agreements	22,533	(2,740)	19,793
Total	<u>\$ 94,578</u>	<u>\$ (44,812)</u>	49,766
Current portion			49,049
Noncurrent portion			<u>\$ 717</u>

5. Capital Assets, net

Capital assets at historical cost as of June 30, 2017 and 2016 are summarized as follows (in thousands):

	2017				
	Beginning Balance	Additions	Retire-ments	Transfers	Ending Balance
Cost - Non depreciable					
Land	\$ 352	\$ -	\$ -	\$ -	\$ 352
Construction in progress	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal	352	-	-	-	352
Cost - Depreciable					
Building	70,727	-	-	-	70,727
Infrastructure	929	-	-	-	929
Land improvements	237	-	-	-	237
Equipment	84,493	2,877	(1,892)	-	85,478
Leasehold improvements	818	-	-	-	818
Library materials	44	-	-	-	44
Subtotal	157,248	2,877	(1,892)	-	158,233
Total capital assets - cost	157,600	2,877	(1,892)	-	158,585
Accumulated depreciation					
Buildings	17,231	2,877	-	-	20,107
Infrastructure	39	15	-	-	55
Land improvements	40	6	-	-	46
Equipment	73,547	4,167	(1,825)	-	75,888
Leasehold improvements	714	6	-	-	720
Library materials	40	2	-	-	41
Subtotal	91,611	7,072	(1,825)	-	96,859
Capital assets, net	\$ 65,989	\$ (4,195)	\$ (67)	\$ -	\$ 61,726

	2016				
	Beginning Balance	Additions	Retire-ments	Transfers (to)/ from Affiliates	Ending Balance
Cost - Non depreciable					
Land	\$ 352	\$ -	\$ -	\$ -	\$ 352
Construction in progress	-	-	-	-	-
Subtotal	352	-	-	-	352
Cost - Depreciable					
Building	70,727	-	-	-	70,727
Infrastructure	929	-	-	-	929
Land improvements	237	-	-	-	237
Equipment	82,525	3,809	(1,841)	-	84,493
Leasehold improvements	818	-	-	-	818
Library materials	44	-	-	-	44
Subtotal	155,280	3,809	(1,841)	-	157,248
Total capital assets - cost	155,632	3,809	(1,841)	-	157,600
Accumulated depreciation					
Buildings	14,357	2,874	-	-	17,231
Infrastructure	24	15	-	-	39
Land improvements	34	6	-	-	40
Equipment	70,340	5,009	(1,802)	-	73,547
Leasehold improvements	708	6	-	-	714
Library materials	37	3	-	-	40
Subtotal	85,500	7,913	(1,802)	-	91,611
Capital assets, net	\$ 70,132	\$ (4,104)	\$ (39)	\$ -	\$ 65,989

6. Other Liabilities

Other liabilities of the Research Foundation consisted of the following at June 30, 2017 and 2016 (in thousands):

	2017					
	Beginning Balance	Additions	Retire-ments	Ending Balance	Current Portion	Noncurrent Portion
Other postemployment benefits	\$ 14,337	\$ 3,887	\$ (1,015)	\$ 17,209	\$ 1,695	\$ 15,514
Total	\$ 14,337	\$ 3,887	\$ (1,015)	\$ 17,209	\$ 1,695	\$ 15,514

	2016					
	Beginning Balance	Additions	Retire-ments	Ending Balance	Current Portion	Noncurrent Portion
Other postemployment benefits	\$ 12,884	\$ 2,294	\$ (841)	\$ 14,337	\$ 1,653	\$ 12,684
Total	\$ 12,884	\$ 2,294	\$ (841)	\$ 14,337	\$ 1,653	\$ 12,684

The current portion of other postemployment benefits is included in accounts payable and accrued liabilities in the statements of net position as of June 30, 2017 and 2016.

7. Revenues From Clinical Services

a. Clinics and Laboratories

The University's Health Science Center operates various clinics, which generate revenues from the treatment of patients, as well as laboratory services. Revenues associated with the operations of these clinics totaled approximately \$119.1 million and \$118.2 million for the years ended June 30, 2017 and 2016, respectively.

b. University of Louisville School of Medicine Practice Plan (the Plan)

The Plan requires each clinical department of the University of Louisville, School of Medicine to establish a departmental entity, which bears the financial obligation pursuant to the Plan. The departmental entity must receive contributions from the faculty practice groups and remit the contributions as specified in the Plan.

The faculty practice groups remit funds in two forms. The first portion, Academic Program Support, as defined in the Plan, is remitted directly to the Research Foundation to support the academic programs in the clinical departments. Academic Program Support remitted to the Research Foundation totaled approximately \$7.0 million and \$1.1 million for the years ended June 30, 2017 and 2016, respectively. The second portion, the Dean's Fund, as defined in the Plan, is collected by the University of Louisville Medical School Fund (Medical School Fund) from the departmental entities and is used by the Dean to provide additional support for the clinical, academic programs and other activities of the Medical School. Starting in fiscal year 2017, the departments remit the Dean's Fund directly to the Research Foundation. Amounts

remitted to the Research Foundation by the Medical School Fund totaled approximately \$7.0 million and \$1.2 million for the years ended June 30, 2017 and 2016, respectively.

c. KentuckyOne Health, Inc. Affiliation Agreement

In November, 2012, the University and KentuckyOne Health, Inc. (KentuckyOne) entered into an agreement that calls for, among other things, KentuckyOne to provide funding (salary, benefits, and malpractice coverage) for certain full-time equivalent resident positions over the term of the affiliation agreement at University of Louisville Hospital (Hospital). Funding for residents was be a budget item annually determined and took into account (a) staffing at comparable academic medical centers, (b) the services provided by the Hospital, and (c) the clinical load at the Hospital and related facilities. Certain services continued to be provided by University Medical Center, Inc. (UMC). Funding from the affiliation agreements for the years ended June 30, 2017 and 2016 was approximately \$65.6 million and \$60.7 million, respectively. This agreement addresses the patient care needs of the Hospital's inpatients. The agreement ended June 30, 2017. Refer to Note 13 Subsequent Event for additional information.

d. Norton Healthcare

In December 17, 2015, Norton Healthcare, Inc., (Norton) and the University of Louisville and the Commonwealth of Kentucky agreed to a Settlement Agreement, a First Amendment to Lease and a First Amendment to Master Affiliation Agreement. These agreements provide for \$30.0 million annual support payments from Norton to the University and its affiliates through Individual Agreements for research, academic support, residences and fellowships and related costs. In addition, the agreement stipulates that Norton provide additional financial support to the University of Louisville Pediatrics Department of \$24.0 million over eight years and expend at least \$35.0 million in facility improvements and other capital expenditures at Kosair Children's Hospital. Payments received by the University and its affiliates are included in clinical services and practice plan revenues in the statements of revenues, expenses, and changes in net position. Funding for the agreement for the years ended June 30, 2017 and 2016 was \$20.0 million and \$35.0 million, respectively. The Settlement Agreement also included a payment of \$8.0 million, received in the year ending June 30, 2016, to the Research Foundation for expenses incurred.

e. Other Clinical Revenues

The Research Foundation works with other area hospitals by providing support services, such as residents and other staff. Revenues associated with these activities totaled approximately \$33.4 million and \$17.6 million for the years ended June 30, 2017 and 2016, respectively.

8. Expenses

Operating expenses by natural classification for the years ended June 30, 2017 and 2016 were approximately (in thousands):

	<u>2017</u>	<u>2016</u>
Salaries and wages	\$ 217,599	\$ 211,954
Employee benefits	\$ 49,645	\$ 51,098
Supplies and services	\$ 98,645	\$ 95,908
Depreciation	\$ 7,072	\$ 7,914
Scholarships and fellowships	\$ 42,707	\$ 42,716
	<u>\$ 415,668</u>	<u>\$ 409,589</u>

9. Retirement Plan

University personnel participate in a contributory retirement plan administered by the University. The University of Louisville 403(b) Retirement Plan (Retirement Plan) was established by the University and approved by the Board of Trustees. Permanent, full-time employees become eligible to participate in a defined contribution plan upon completion of one year's service and attainment of age 21. Eligible employees not contributing to the Retirement Plan are entitled to a 7.5% of base salary contribution on their behalf by the University. The University also matches up to an additional 2.5% of employee contributions. The Retirement Plan requires three years of continuous service for employees to vest in employer contributions.

The Research Foundation recorded expenses related to the defined contribution plan of approximately \$14.0 million and \$13.9 million during the years ended June 30, 2017 and 2016, respectively. As of June 30, 2017 and 2016, the Research Foundation had no outstanding liability related to the Retirement Plan.

10. Postemployment Healthcare Benefits

a. Plan Description

University personnel are eligible for postemployment healthcare benefits as described in The University of Louisville Group Health Plan (Plan), administered by the University. To be eligible for the Plan, a retired employee must be the earlier of the attainment of age 60 with seven years of service in eligible faculty or staff status, or the date that the sum of the employee's age and years of regular service of not less than 80% full-time equivalent at the University equals or exceeds 75. The Plan is a single-employer plan and the University's Board of Trustees determines the eligibility requirements related to the Plan. The Plan does not issue stand-alone financial reports and is not included in the report of any entity.

b. Funding Policy

The Plan is funded on a pay-as-you-go basis. The contribution requirements of the contributing members are determined by the University's management on an annual basis. During the years ended June 30, 2017 and 2016, the University contributed approximately \$1.3 million and \$1.9 million, approximately 43% and 66% of total premiums, respectively. Retired Plan members under age 65 receiving benefits contributed approximately \$1.7 million and \$1.0 million, approximately 57% and 39% of total premiums for the years ended June 30, 2017 and 2016, respectively, through their required monthly contributions according to the schedules below:

2017					
	PPO	Cardinal Care Plan	EPO	PCA High	PCA Low
Employee	\$ 335	N/A	\$ 353	\$ 281	\$ 248
Employee and Spouse	\$ 811	N/A	\$ 851	\$ 692	\$ 555
2016					
	PPO	Cardinal Care Plan	EPO	PCA High	PCA Low
Employee	\$ 335	\$ 407	\$ 353	\$ 281	\$ 248
Employee and Spouse	\$ 811	\$ 871	\$ 851	\$ 692	\$ 555

Medicare-eligible retirees receive a monthly benefit of \$108 per individual covered. For the years ended June 30, 2017 and 2016, the University contributed \$1.7 million and \$1.6 million, respectively, for Medicare-eligible retirees.

c. Annual Other Postemployment Benefit (OPEB) Cost and Net OPEB Obligation

The University's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45 – *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* (GASB Statement No. 45). The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial accrued liabilities (AAL) over a period not to exceed thirty years.

The following table shows the components of the University's annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the University's net OPEB obligation (in thousands):

	2017	2016
Normal cost	\$ 5,423	\$ 5,061
AAL amortization	5,673	5,252
Annual required contribution (ARC)	11,096	10,313
Interest on above	1,497	1,258
Adjustment to ARC	(2,246)	(1,825)
OPEB liability (gain)/loss	311	(3,566)
Annual OPEB cost (AOC)	10,658	6,181
Contributions made	(3,007)	(2,437)
Increase in net OPEB obligation	7,651	3,743
Net OPEB obligation - beginning of year	40,742	36,999
Net OPEB obligation - end of year	\$ 48,393	\$ 40,742

The University's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation were as follows (in-thousands):

Fiscal Year Ended June 30,	Annual OPEB Cost/(Gain)	Percentage of Annual OPEB Cost/(Gain) Contributed	Net OPEB Obligation
2017	\$ 10,658	28%	\$ 48,393
2016	\$ 6,180	39%	\$ 40,742
2015	\$ 9,125	35%	\$ 36,999
2014	\$ 6,817	45%	\$ 31,069

The University allocates a portion of the AOC, and the corresponding OPEB obligation, to its affiliated corporations, including the Research Foundation. For the years ended June 30, 2017 and 2016, the Research Foundation's portion of the AOC was \$3.9 million and \$2.3 million, respectively. The Research Foundation's net OPEB obligation for the years ended June 30, 2017 and 2016 was \$17.2 million and \$14.3 million, of which \$15.5 million and \$12.7 million was recorded in other long-term liabilities and \$1.7 million and \$1.7 million was recorded in accounts payable and accrued liabilities as of June 30, 2017 and 2016, respectively.

d. Funded Status and Funding Progress

As of July 1, 2016, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$95.5 million and \$89.7 million and there were no assets, resulting in an unfunded actuarial accrued liability (UAAL) of \$95.5 million and \$89.7 million as of June 30, 2017 and 2016, respectively. The covered payroll (annual payroll of active employees covered by the Plan) was \$499.0 million and \$478.2 million, and the ratio of the UAAL to the covered payroll was 19% for each of the years ended June 30, 2017 and 2016.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trends. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents information about whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liabilities for benefits.

c. Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point in time. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2016, actuarial valuation, the unit credit method actuarial cost method was used. The actuarial assumptions included a 3 percent investment rate of return (net of administrative expenses), which is based on the estimated return on the University's general assets, and an annual healthcare cost trend rate of 8.3 percent initially, reduced by decrements to an ultimate rate of 4.5 percent after 11 years. The gains or losses on the benefit obligation recognized during the fiscal years ended June 30, 2017 and 2016 were due to updates made on expected future health claims and changes made to the retiree life insurance benefit. Expected claims have decreased based on a review of actual claims over the last three years as well as current COBRA rates. The UAAL is being amortized on a straight line basis over 30 years. The remaining amortization period at June 30, 2016 was 20 years.

11. Commitments and Contingencies

a. Commitments

At June 30, 2017 and 2016, respectively, the Research Foundation had approximately \$4.4 million and \$5.2 million in encumbrance's outstanding related mainly to operational expenses for future expenditures.

b. Litigation

The University has been named as defendant in several lawsuits, including several actions initiated by patients involving alleged malpractice. It is the opinion of management and its legal counsel, based in part on the doctrine of sovereign immunity, commercial insurance coverages and other statutory provisions, that the ultimate outcome of litigation will not have a material effect on the future operations or financial position of the University or the Research Foundation beyond the amounts already provided.

c. Government Grants

The Research Foundation is currently participating in numerous grants from various departments and agencies of the federal and state governments. The expenditure of grant proceeds must be for allowable and eligible purposes. Single audits and audits by the granting department or agency may result in requests for reimbursement of unused grant proceeds or disallowed expenditures. Upon notification of final approval by the granting department or agency, the grants are considered closed.

12. Recent Accounting Pronouncements

As of June 30, 2017, the following GASB statements were implemented which did not have a financial or disclosure impact on the financial statements.

GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans. This statement improves the usefulness of information about post-employment benefits other than pensions and is applicable to plans that are administered through trusts.

GASB Statement No. 77, Tax Abatement Disclosures. This statement requires governments to provide additional disclosures about tax abatement agreements.

GASB Statement No. 78, Pensions Provided through Certain Multiple-Employer Defined Benefit Pension plans. This statement addresses a practice issue regarding the scope and applicability of

GASB Statement 68, *Accounting and Reporting for Pensions*, to certain multiple- employer defined benefit pension plans.

GASB Statement No. 80, *Blending Requirements for Certain Component Units-an amendment of GASB Statement No. 14*. This statement amends the blending requirement for certain component units incorporated as a not-for-profit corporation which the primary government is the sole corporate member.

GASB Statement No. 82, *Pension Issues— An Amendment of GASB Statements No. 67, No. 68 and No. 73*. This statement addresses certain issues that had been raised regarding the presentation of payroll-related measures in required supplementary information, the selection of assumptions and the classification of payments made by employers.

As of June 30, 2017, the GASB has issued the following statements that could be applicable to the University.

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The University has not yet adopted this standard and is evaluating the impact it may have on its financial statements.

GASB Statement No. 81, *Irrevocable Split-Interest Agreements*. The University has not yet adopted this standard and is evaluating the impact it may have on its financial statements.

GASB Statement No. 83, *Certain Asset Retirement Obligations*. The University has not yet adopted this standard and is evaluating the impact it may have on its financial statements.

GASB Statement No. 84, *Fiduciary Activities*. The University has not yet adopted this standard and is evaluating the impact it may have on its financial statements.

GASB Statement No. 85, *Omnibus 2017*. The University has not yet adopted this standard and is evaluating the impact it may have on its financial statements.

GASB Statement No. 86, *Certain Debt Extinguishment Issues*. The University has not yet adopted this standard and is evaluating the impact it may have on its financial statements.

GASB Statement No. 87, *Leases*. The University has not yet adopted this standard and is evaluating the impact it may have on its financial statements.

13. Subsequent Event

Effective June 30, 2017, the academic affiliate agreement between the University and KentuckyOne and the joint operating agreement between University Medical Center, Inc. (UMC) and KentuckyOne were mutually terminated, ending KentuckyOne's operational responsibilities for the University of Louisville Hospital (Hospital). As of the termination date, University Medical Center, Inc. (UMC) assumed operational responsibilities for the Hospital. The University has entered into an academic affiliate agreement with UMC that resumes the same level of funding for academic program support as they were stated in the agreement between the University and KentuckyOne.

REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Funding Progress by the University
For Other Postemployment Benefits
(in thousands)

<u>Actuarial Value Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) (b)</u>	<u>Unfunded AAL (UAAL) (b - a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a Percentage of Covered Payroll ((b-a) / c)</u>
7/1/2016	-	\$ 95,461	\$ 95,461	0%	\$ 498,962	19%
7/1/2015	-	\$ 89,683	\$ 89,683	0%	\$ 478,201	19%
7/1/2014	-	\$ 89,098	\$ 89,098	0%	\$ 459,588	19%