

**UWF FOUNDATION, INC.**  
**EXECUTIVE COMMITTEE MEETING**  
**MINUTES**

**November 15, 2007**

**Members present:** Marny Gilluly, John Cavanaugh, Dave Cleveland, Tim Haag, Britt Landrum, Casey Rodgers, and Brett Shaw via conference call.

**Staff present:** Dean Van Galen, Susan Stephenson, and Sheri Pope.

**Guests present:** Wayne Williams, Foundation Board member; Margaret Stopp, UWF Foundation General Counsel; Pat Lott, UWF Associate General Counsel; Tara Sciscoe, consulting attorney via conference call; and Jim Barnett, Associate Vice President for Facilities and Planning.

**Order:** Marny called the meeting to order at 3:55 p.m. in Conference Room 1 of the Bowden Building in downtown Pensacola.

**Business Discussion Items:**

Marny asked for roll to be taken and Sheri reported that a quorum was present. Casey requested the committee members review the minutes of the last two meetings. Dave made the motion for the minutes of both meetings (August 13<sup>th</sup> and September 24<sup>th</sup>) be accepted as written and Britt seconded the motion. All voted in favor of the motion.

Dave reported on the performance of the investments. The market was sluggish with pressures from the subprime market, low consumer confidence, and rising oil prices. The portfolio value is at \$67,972,429 as of September 30, 2007. The portfolio had a 0.44 percent return for the quarter and had 13.61 percent return for the latest twelve months. The Investment Committee voted to change the International Value fund manager, Causeway. The committee has been monitoring Causeway for some time due to their continued underperformance compared to established benchmarks. After reviewing their performance and based on advice from Morgan Keegan, the committee voted to move funds from Causeway to Dodge & Cox. The Investment Committee also voted to consolidate the stock gift account with Morgan Keegan. This was a matter of administrative convenience presented to the committee by the Foundation staff.

Brett provided the Treasurer's Report. Expenses for the year are in line with the FY2007 Budget for the Foundation. Housing has used a portion of their excess funds for some repair and maintenance projects this year. Susan provided a brief explanation of the projects and said Housing remains confident that the overall expenses for the year will be within budget.

The President provided a University update. He began with the success of the Creating Great Futures Campaign and the 40<sup>th</sup> Anniversary Celebration. The kick-off event at the Naval Air Museum was a great success and press coverage the institution has been receiving is good. He spoke about upcoming building projects on campus: the new science and technology building, the new child care center, and the BEST house project. Dr. Cavanaugh reported the University budget cut has been reduced to about 3.5%. The upcoming budget year projections do not show improvement. The university will receive a 5% tuition increase in the spring semester and 30% of that will be set aside for financial aid. Enrollment is at 10,400 students representing 3 – 4 % growth over last year.

Dean presented the Development and Campaign Report. He announced the campaign total is over \$23 million in gifts and pledges, highlighting by type and campaign priority (handout provided). Dean told the committee about the Johnson Foundation proposal. If funded, the proposal comes with a challenge to raise over \$1 million to establish a new scholarship endowment for students with high financial need. He thanked the Campaign

Steering Committee for their service and everyone for their support in attending the Campaign Kick-off Celebration on September 25<sup>th</sup>.

Susan gave the Executive Director's Report. She reported large expenditures for scholarships, welcome week, and events surrounding the 40<sup>th</sup> Anniversary Celebration and public kick-off of the Creating Great Futures Campaign. The Foundation is seeking settlement in the Joseph Dunn lawsuit. Susan has been working with legal counsel on the President's deferred compensation issue and the West Campus land exchange (both to be discussed later in the agenda). Susan anticipates asking the Budget Audit Committee to approve a budget revision at its next meeting in February. The Alumni association has been reviewing two new company affinity agreements that would be issued in the name of the Foundation. One of the agreements is with a travel company and the other is to provide graduate health insurance coverage. Housing is at 98% occupancy and has adequate funds to make its bond payments on December 1<sup>st</sup>. Foundation staff are working to list for sale two pieces of property gifted in 2001 to the Foundation, a campsite in Washington County and a vacant lot in Holt County.

Marny asked Susan to explain the deferred compensation resolution provided to the committee (see attached resolution). Susan reviewed the key points and asked Margaret and Pat to comment. Margaret pointed out that the final four points of the resolution were the legal points being considered by the committee. (Tara Sciscoe joined the meeting via conference call after the committee had taken action and did not provide additional commentary on the resolution.) Britt made a motion to accept the four points as written and Casey seconded the motion. All voted in favor of the motion, except for President Cavanaugh who abstained.

Jim Barnett gave a power point presentation overview of the UWF Master Plan and provided a handout. He asked the committee to consider the resolution (in handout) allowing the Foundation and UWF to trade equal acreage and value parcels west of campus. The resolution reads:

- 1) *Authorize the transfer of the 22.408 acre parcel west of Pate Street and the 29.00 acre parcel east of Pate Street from the Foundation to the University of West Florida, as noted on the attached map.*
- 2) *In return, authorize the acceptance of the transfer from the University of the 51.408 acre parcel east of Pate Street and north of Greenbriar Boulevard/Ten Mile Road, as noted on the attached map.*
- 3) *Authorize the appropriate Foundation officers to execute necessary instruments of transfer to effect the land exchange.*

The trade would consolidate the holding of both the Foundation and the University making future development easier. The land trade would also need to be approved by the Board of Trustees and the State. After discussion, Tim made a motion to approve the resolution for the land trade as written and presented. Britt seconded the motion and all voted in favor.

Susan told the committee that the holiday gala and the President's holiday reception at the Dorr House have been cancelled due to budget cuts. Also, an updated calendar would be sent out to the full Board soon. Marny reminded the group that the next Board of Director's meeting would be December 13<sup>th</sup> on the UWF campus. She encouraged everyone to make plans to attend.

Meeting adjourned at 5:10 p.m.

/S/ Susan Stephenson  
November 20, 2007