

Members present: Laverne Baker, John Cavanaugh, Dave Cleveland, Lacey Collier, Susan Cruz, Patricia Denkler, Marny Gilluly, Tim Haag, Brian Haugen, Ray Jones, Britt Landrum, John McGee, Richie Platt, Judy Byrne Riley, Casey Rodgers, Mylan Shaunfield, Brett Shaw, and Wayne Williams.

Staff and guests present: Dr. Hal White, UWF Executive Vice President; Dr. Dean Van Galen, Vice President for University Advancement; Martha Lee Blodgett, Gretchen Van Valkenburg, and Aaron West, Development; KC Etheredge, Alumni Relations; Andi Sortino, Advancement Services; Lauren Smith, Campaign Manager; Jeffrey Djerlek, Sheri Pope and Susan Stephenson, UWF Foundation.

Meeting: Marny called the meeting to order at 3:30 p.m. in the Alumni Room of Building 12 on the UWF Pensacola campus.

Roll Call and Approval of the Minutes: In the interest of time, Sheri verified attendance without a roll call and established a quorum was present. Marny asked if all Board members had the opportunity to review the minutes of the last meeting. Judy made the motion to accept the minutes as written and Lacey seconded the motion. All voted to approve.

Information Reports:

Development Report: Dean discussed the Development and Campaign Update provided in the Board materials. He spoke about the impact of major gifts and highlighted donor supported scholarships. In FY07, a total of \$956,870 was awarded in scholarship support to over 1,000 UWF students. The first group of Argo Scholars was selected at Pensacola High School. Giving in all categories was up significantly from the prior year and total gifts (excluding in kind gifts) to UWF for the fiscal year 2007 more than doubled compared to the prior year.

Dean went over the proposed new Cumulative Giving levels. He provided a chart showing the current cumulative giving levels with number of donors and the proposed cumulative giving levels with the estimated number of donors. The proposal adds three new levels (\$250,000, \$500,000, and \$1 million), all higher than the current top level for cumulative gifts of \$100,000 and above. These revised giving levels have been reviewed and approved by the Executive Committee. The Development staff has been tasked to propose names for the new levels. If Board members have any suggestions, they may submit them to any member of the Development team.

Campaign Report: Marny began with an update on Board member giving. Of twenty members returning, fifteen have made a campaign gift or pledge. She recapped the Campaign timeline progress from the initial internal assessment in the winter of 2004 through the leadership phase up to the public kick-off event on September 25th. She provided campaign totals by campaign priority and by category of donor. Included was a chart depicting the growth in Campaign support since July 2004. Dean thanked the Steering Committee for their work in bringing the campaign to the public phase. He introduced Lauren, who shared information about the Creating Great Futures marketing

concept and website. The marketing concept was developed with feedback from donors who felt students should be more visible. An individual student was chosen to represent each of the six campaign priorities. These same six students will be seen on the billboards, the website, at the kick-off celebration events, and in the campaign video. A sneak preview of the video was then shown. Dean concluded by thanking Lauren for her work on the campaign.

University Update: President Cavanaugh gave an update of the state budget situation. He told the Board he was very pleased with the progress of the Campaign and thanked them for their leadership through the silent phase.

Alumni Report: Tim directed everyone to the Alumni Report in the Board Book. He noted that a great deal of staff effort had gone into planning the 40th Anniversary week events. He encouraged everyone to visit the 40th Anniversary website and to attend as many events as possible. He thanked KC and the Alumni Relations staff for their hard work on making this a very special week.

Foundation Report: Susan highlighted the items from the Executive Director's report (in Board Book) regarding the Foundation office and Housing activities. She noted some of the recent expenditures of funds for retirements, scholarships, deferred compensation and insurance. There was one policy exception granted in order to make a memorial gift to another charity as designated by the family of a deceased donor. The Small Cap investment pool funds were moved to Golden Capital in accordance with the instructions from the Investment Committee. Susan reported working with the University General Counsel on a new deferred compensation plan for the President. Housing still has 30 students in triple rooms, at their own request. Overall occupancy is at 99%. The Baroco property west of the Pensacola campus is being considered for a research park, the Trader Jon Collection has been moved to a climate controlled storage facility (Lock-n-Store) and the gift funds received for the Barkley House and the Construction Technology Building (to receive Courtelis matching funds) have been transferred to the University.

Report of Board Officers & Committees:

President/Executive Committee: Marny went over the actions of the Executive Committee since the last Board meeting. The Committee approved the proposed new cumulative giving levels (Development report). The Committee also voted to cease contributions to the President's deferred compensation account as of June 30, 2007. She explained that this action was recommended by the tax expert hired by the University. A new plan was being developed that would go through the University and the funds committed by the Foundation would go to that account once established.

Vice President/Investment Committee: Dave presented the Investment Committee Report (see Board Book). He reported that the investments had another strong quarter. Total assets of the portfolio for the quarter ending June 30, 2007 were just under \$70 million. He pointed out the funds being held in the SPIA account made up the difference in that number and the amounts in the Board book. The fund is performing in the 26th quartile for the fiscal year and managers are outperforming 75% of their peers. He

recapped the investment performance for each of the managers, including the two fund-of-fund hedge funds. The I-shares in the Board book represent the small cap funds that were moved to Golden Capital. He reminded the Board that the mortgage note on the Alcaniz property matures in June 2008 and informed them that the committee has asked the consultant for recommendations on how to invest those funds in the future. The Committee approved the use of a SPIA investment account to improve cash flow with the stipulation that the allocation to cash should remain within the portfolio allocation for cash. Dave made the motion for the Board to approve the SPIA account and Richie seconded the motion. All voted in favor of the motion.

Treasurer/Audit Budget Committee: Brett gave an overview of the Budget Audit Committee Report. He presented the Budget to Actual reports for the Foundation and Housing (in the Board Book), explained the variances and stated that the budgets were in line with expectations for this point in the year. Brett then presented the audited FY07 Financial Statements for the Foundation. He told the Board that our auditors, Saltmarsh, Cleveland and Gund, had met with the committee to deliver the report. It was a “clean” opinion. The auditors had been pleased with the actions taken on suggestions from the previous year. He shared that the auditors would be taking a more risk based approach in determining their procedures next year. While the auditors expect to start earlier and spend more time, they will not be asking for a fee adjustment until the contract is up for rebid. Brett asked if there were any questions and made a motion to accept the audited financial statements. Tim seconded the motion and all voted to approve.

Other Business: Marny asked Susan to explain the John C. Pace Distinguished University Professorship proposal. Susan provided details about the request from the provost to split the Pace Eminent Scholars endowment in order to provide funding for the newly developed Distinguished University Professorship. The Faculty Senate of the University has reviewed the program and voted to support it. Martha Lee described her meeting with Gary Leuchtman, the executor of the Pace estate. He wrote a letter in support of the endowment with concurrence of the Foundation Board. Susan explained that if approved by the Board, all documents would be sent to the state for their approval also. Board members discussed the proposal before Lacey made the motion to approve. The motion was seconded by Richie and passed unanimously.

Marny noted the dates and times of upcoming events and encouraged Board members to mark their calendars. Dean reminded everyone of the Campaign kick-off breakfast and dinner the next day.

Marny adjourned the business meeting at 4:30 pm. She announced that the Foundation Fellows induction ceremony would start in 10 minutes.

Foundation Fellows Induction Ceremony: Fellows who attended included Dick Baker, Lacey Collier, Bill Greenhut, Pat Groner, Marvin Kaimen, Eric Nickelsen, Buzz Ritchie, and Betty Vickers. All nominees were accepted by President Cavanaugh. A reception was held in the atrium following the ceremony.