

Members present: Laverne Baker, John Cavanaugh, Lacey Collier, Patricia Denkler (via conference call), Marny Gilluly (via Elluminate), Brian Haugen, C. Ray Jones, Dennis Larry, John McGee, Judy Byrne Riley, Casey Rodgers, Mylan Shaunfield, Brett Shaw, and Wayne Williams.

Staff and guests present: Dr. Jack Azzaretto, Vice Provost Emerald Coast; Camilla Dauchey, International student; Dr. Dean Van Galen, Vice President for University Advancement; Gretchen VanValkenburg, Development; Sheri Pope and Susan Stephenson, UWF Foundation.

Meeting: Marny called the meeting to order at 3:30 p.m. in the Conference Center on the UWF Fort Walton Beach campus and thanked everyone for attending.

Roll Call and Approval of the Minutes: Sheri verified attendance and established a quorum was present. Marny asked if all Board members had the opportunity to review the minutes of the last meeting. Dennis made the motion to accept the minutes as written and Mylan seconded the motion. All voted to approve.

Information Reports:

Alumni Report: Reporting for Tim Haag, Susan directed the members to their Board Book and the overview provided by KC regarding recent networking events. Pat shared that turnout was good at the Washington, DC event she attended and that KC did a great job. Susan noted the upcoming Festival on the Green and the Alumni Jazz Brunch. All were encouraged to attend.

Development Report: Dean gave a brief PowerPoint presentation providing an update on gifts to the Maritime Museum, including the Quint and Rishy Studer gift and the Lamar, Switzer & Rielly gift. He also shared information about the upcoming gift announcement for the Johnson Foundation Scholarship Challenge to raise \$1 million in endowments for need based scholarships over the next five years.

Campaign Report: Dean began by reporting the breakdown by constituent type, giving level, and campaign priority. Thus far, in the public phase of the campaign, development priorities have focused on projects such as the Maritime Museum, the Johnson Scholarship Challenge, the Science and Engineering building, Combs Scholarships, and the Master of Science in Nursing. At this time, we are about \$1 million from our campaign goal. There has been discussion about the possibility of raising the goal. The state of the economy was noted as a concern. Dean promised to undertake a review and make a proposal to the Board at the next meeting.

Dean presented information on the proposed new Cumulative Giving Levels for recognition. He explained that the higher levels were needed to recognize multiple donors. He went over the materials provided in the Board Book and responded to questions. Several voiced opinions that the new recognition levels were necessary and that the new donor plaques were well designed. Judy made the motion for approval. Brett seconded the motion and all voted in favor.

University Update: President Cavanaugh began with a presentation of the new Next Exit History video ipod project. The History Department is applying for a Florida Humanities Council grant to create history video clips that are tied by GPS location to historic landmarks. The hope

is to expand the project across the state through the Florida Public Archaeology Network. A request from the responsible faculty may be coming to the Foundation to ask for needed matching funds for the grant proposal. Several Board members commented on the innovative use of technology and voiced support for the project. President Cavanaugh also touched on UWF's broader marketing efforts utilizing opportunities created by new medium like U-tube and invited Board Members to attend the ground breaking for the Science and Engineering building on March 11th.

He next gave an update on the legislative session. The budget could see between a 6 and 10% cut again next year. We won't know for a couple of months. There is discussion about changing the Board of Governors system, possibly having authority flow directly from the legislature to the local governing boards. The Board of Governors imposed a mandate to the eleven universities to freeze enrollment based on FTE's. For UWF that would be a decrease of approximately 8%. President Cavanaugh has told the Board of Governors that UWF will not comply. UWF will hold enrollment to where we were last year. It will be difficult to make room for transfers required by state law, but enrollment won't be cut. This will be taken to the Board of Trustees for consideration at their March 11th meeting. After discussion, Wayne made the motion to support the President's response, Mylan seconded, and all voted in favor.

Foundation Report: Susan highlighted the items from the Executive Director's report (in Board Book) regarding the Foundation office and Housing activities. She reported expenditures for scholarships, Pace Distinguished Professorships, Pace Scholars, Combs School commitment, and the Archaeological Survey in Mexico, among others. The Foundation continues to seek a settlement in the Joseph Dunn lawsuit. The revised budget was presented to the Budget Audit Committee. The Alumni association has been reviewing two new company affinity agreements that would be issued in the name of the Foundation. One is with a travel company and the other is to provide graduate health insurance coverage. Housing is at 93% occupancy, has renewed their insurance, purchased a new truck, and paid for repairs. They are on track to meet their bond covenants and have adequate funds to make the bond payments on June 1st. Foundation staff are still working to list for sale two pieces of property gifted in 2001 to the Foundation. Other Foundation Assets, including planned gift annuities, insurance policies, and other miscellaneous assets are being presented quarterly at the Investment Committee meetings.

Reports of Board Officers & Committees:

President/Executive Committee: Marny went over the actions of the Executive Committee since the last Board meeting. She explained the Padgett resolution passed by the Executive Committee at its February meeting (provided in the Board Book). The resolution was requested by a property owner in Pace. Apparently, there was an error in the recording of a title several years ago. The property involved was never intended to be part of the Pace estate that was subsequently gifted to UWF. This resolution is simply a house-keeping matter that will set the title records straight. Margaret Stopp reviewed the resolution and advised it was appropriate.

Also, the Committee passed a resolution in support of Housing and Residence Life's plans for expansion. Housing staff made a presentation to the committee that included: number of beds on campus, occupancy, anticipated growth, current freeze on enrollment, impact to dining services,

possible room layout, and expected costs. With assurance that the financing will be brought back before the Board prior to any actions, the committee passed the resolution of support.

Vice President/Investment Committee: Reporting for Dave Cleveland, Wayne first directed members to the Investment section of their Board Books. He reported that the investments had declined by 3.37% in the second quarter, noting that 60% of the portfolio is invested in equities and 40% in non equities. With the S&P index down 8% over the same time period, this helps demonstrate that our assets allocation is helping the Foundation investments in these volatile times. Wayne told the Board that the Investment Committee is looking into various investment opportunities for the \$4.2 million expected when the Alcaniz property note matures in June 2008. Two options currently being considered are private equity and real estate. The committee discussed private equity at the February meeting and the real estate options will be considered further at the May meeting. He summarized private equity investment and provided handouts showing various hypothetical scenarios if an investment were to be made in private equity.

Treasurer/Audit Budget Committee: Brett began with the Budget to Actual reports for the Foundation and Housing (in the Board Book). He explained the variances and stated that the budgets were in line with expectations for this point in the year. He noted that the Campaign budget was a little high, but that was to be expected with the fall campaign kick-off events. Next, Brett explained the proposed budget revision. A staff position was cut in the Foundation, the Connection magazine will be produced twice rather than three times a year, and the Alumni Coordinator position will be paid from the Foundation Operating budget. This has been done to help with the state budget cuts. Judy voted to approve the revised budget and Brian seconded the motion. All voted in favor. Brett informed the Board that he, Marny, and Susan had reviewed the audit and internal control issues even though the February 13 meeting did not have a quorum.

Strategic Planning Sub-Committee: Marny shared that they had completed the process and developed the Draft Action Planning and Reporting 2007-2012 document (in Board Book). The Action Plan will be taken and shared at the Joint Board's Strategic Planning Meeting in June 2008. Casey moved to approve the plan and Mylan seconded. All voted in favor of the motion.

Nominating Committee: Reporting for Britt Landrum, Judy briefly outlined the process to date on board vacancies and the slate of officers for FY 2008-2009. A full slate of appointees will be provided to the board for consideration at the meeting in June 2008. Also, input was requested for Foundation Fellows. Everyone was encouraged to share suggestions with staff.

Other Business:

Casey asked the Board to approve the updated Bank Wire Transfer agreement. The agreement makes it possible for staff to move funds in and out of the Bank of Pensacola. Transfers over \$1 million dollars require the approval of two authorized persons. Brett made the motion to authorize the agreement and Dennis gave the second. The motion carried without dissent.

Marny adjourned the business meeting at 4:55 pm. She then introduced Dr. Jack Azzaretto. He gave a presentation on the UWF International program and provided handouts. He was joined in the presentation by Camilla Dauchey, a Russian international student. Camilla has an Associate degree from Okaloosa Community College and will be graduating from UWF in May of 2009.