

**Members present:** Laverne Baker, John Cavanaugh, Dave Cleveland, Marjorie Cummins, Patricia Denkler, Marny Gilluly, Brian Haugen, C. Ray Jones, Britt Landrum, Dennis Larry, Judy Byrne Riley, Casey Rodgers, Mylan Shaunfield, Brett Shaw, and Wayne Williams

**Staff and guests present:** KC Clark, Chairmen of the Board of Trustees; Hal White, UWF Executive Vice President; Dick Baker; Ben Short, Incoming Vice President SGA; Dean Van Galen, Vice President for University Advancement; Martha Lee Blodgett and Gretchen VanValkenburg, UWF Development; KC Etheredge, UWF Alumni; 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 Pensacola 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. Brian made the motion to accept the minutes as written and Dennis seconded the motion. All voted to approve. Marny asked Mylan to introduce Ben Short. Ben is the incoming Vice President of the Student Government Association and will be serving as the SGA representative on the Foundation Board next year.

**Information Reports:**

**University Update:** President Cavanaugh began by complimenting the Board on the Foundation's progress and the many events of the past six years. These included the initial Capital Campaign discussions and feasibility study through Hurricane Ivan, and into the public phase of the campaign. He thanked them and the many individuals for their support of the campaign and efforts to advance UWF.

He next gave an update of good things happening at UWF. The men's golf team won the championship and Women's Athletics earned the Gulf South Conference Women's All-Sports Trophy, their fourth in five years. UWF is now second behind University of Florida among state universities chosen by area valedictorians. Enrollment is up 12% with an increase in transfers. The College of Business was reaccredited for another 5 years. Endowment and Scholarship notable items included: numerous endowments and scholarships were established including the Roy Hess Scholarship for Entrepreneurship; the Scholarship Appreciation Luncheon was well attended; and approximately \$1 million was awarded to about 1,110 students for the year. Campus started an Earth Day celebration tradition which compliments other campus efforts including construction of the BEST House model building and ongoing recycling efforts.

**Campaign Report:** Marny began by thanking the Foundation Board members who have donated toward the campaign and encouraged everyone to give at a level meaningful to them. She reminded the Board that we are half way through the Campaign with the official end date set for December 2010. To date, the Campaign has raised \$34.1 million toward the goal of \$35 million. She referred to the handout explaining that over \$10 million has been raised for the Maritime Museum including outstanding pledges of approximately \$2.5 million. She briefly went over the remaining charts that break down the contributions by donor and campaign priority. She then turned the floor over to Dean for the development Report.

**Development Report:** Dean thanked the Board again for their work on the Campaign. He also thanked Dr. Cavanaugh for his leadership and support for the Campaign. The Scholarship Appreciation Luncheon which brings together student scholarship recipients and donors was held last month. Dean thanked the Board members who were able to attend and make it such a great success. He noted that Development has been stepping up their efforts to raise funds for the Maritime Museum. These include the launching a new Maritime Museum e-newsletter, a site sign at the downtown location, and a float in the upcoming Fiesta of Five Flags parade on June 12<sup>th</sup>. There will also be a new University e-newsletter that will be sent to key donors and friends of the University. Dean reported that the year is going well and gifts received year to date are the highest since 1994 when the University received the Pace gift. In closing, he gave an update on the progress of the Grant Program for Student Study Abroad. Both the Dean's Council and the Student Government Association recommended that the focus of the grant program be student study abroad, especially programs with a language immersion component. There was also interest in faculty/student research opportunities and service learning projects.

He then asked Martha Lee to speak about the Johnson Foundation Scholarship Challenge. Martha Lee explained the Johnson Foundation has challenged UWF to raise \$1 million in endowed funds for need based scholarships and has committed to a \$600,000 endowment match. She handed out brochures with details designed to help roll out the program. A leadership committee will be brought together and used as a springboard to help get the word out about this unique opportunity and to meet this challenge. She clarified that this challenge, to raise endowment funds, is different from the annual First Generation fundraising efforts. The first challenge deadline is 10/31/08 and the goal is to raise \$75,000 in endowment funds.

**Alumni Report:** Reporting for Tim Haag, KC informed the members that UWF had reached a new milestone. With the May 2008 graduates, UWF will have over 60,000 alumni. She directed the members to their Board Book and provided an overview of upcoming events in Tampa, Orlando, and Pensacola. She also invited all Board members to sign up for the 2<sup>nd</sup> Annual UWF Alumni Golf Classic. It will be the last Friday in September at the Scenic Hills Country Club.

**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 Archaeological Survey in Mexico, remodeling facilities in the Music Department and Mock Courtroom, a commitment of funds for the Next Exit History podcast, employee excellence awards, and various legal fees. She described mediation efforts in the Dunn lawsuit and continuing efforts to settle the dispute. The Alumni Association agreement for the renewal of the GEICO agreement has been signed and the new travel company and graduate health insurance company are in the works. Housing concluded the year at 93% occupancy and is on track to meet or supersede all bond covenants. The mortgage payoff for the Alcaniz property has been received and deposited in the SPIA account. Nursing will be moving into Building 8 and a \$5,000 offset has been included in the annual budget to help them with the rent during the current budget crisis. The land exchange involving the Baroco Property is expected to be negotiated prior to the September Board of Trustee meeting. In the meantime, ECUA and the University are working on an MOU for utility easements and UWF is verifying the wetlands survey. The Holmes River Campsite was sold for \$6,000. The planned giving investments are under review and one of the three annuity payments will be paid from the operating budget for the next four years. We have asked the Bank of New York to propose a mixture of investments in compliance with Florida law that utilizes a more long term horizon. It will most likely include

a mixture of stocks, fixed income, and perhaps real estate investment vehicles. The target allocation for stocks will be 40% (35% minimum and 45% maximum), staying well below the State's 50% limit. Our consultant at Morgan Keegan has agreed to review the investment mix before its submission to the Investment Committee for approval. Susan concluded by thanking Wayne for inviting her to attend a one day seminar put on by his CPA firm in Atlanta. The seminar, specifically focused on issues important to higher education, was very informative.

**Reports of Board Officers & Committees:**

**President/Executive Committee:** Marny went over the two actions of the Executive Committee since the last Board meeting. The Grant Committee will be established this summer with Pat Denkler as the Chair. The awards will be made for student study abroad with an emphasis on programs that include language immersion. The podcast initiative was brought to her as an emergency request. The application deadline was imminent and she used her authority over non endowed funds to commit \$10,000 of budgeted grant funds to provide necessary matching funds for the Next Exit History podcast grant application. Marny then briefly explained the property resolution that authorized the sale of the Holmes River campsite.

**Vice President/Investment Committee:** Dave reported on the performance of the investments. It was a very difficult quarter with all sectors down. Total assets in the investment pool were just under \$62 million as of March 31<sup>st</sup>. January was the worst month since January 1999 when the dot com bubble burst. The strength of our portfolio showed in that we were not down as much as most of our benchmarks. The committee is watching our international fund performance. Both fund of fund hedge funds were up for the quarter. FIHMC paid off the mortgage note. A special meeting has been proposed to discuss the investment of the proceeds, possibly in real estate. In keeping with good practice and ongoing due diligence efforts, our fund managers are invited to periodically come, discuss their investment philosophy and respond to committee member questions. Our two fund of fund hedge fund managers made presentations at the last committee meeting. Funding for the Charitable Gift annuity was discussed and the committee will be reviewing the proposed investment strategy at their next meeting. A presentation was given on Endowment Spending and intergenerational equity. The committee agreed to review the spending policy within the Investment Policy at the August meeting. The committee will be considering options to ensure the endowment corpus grows to sustain buying power while also funding current needs. Dave concluded by stating that the Investment Committee approved the short term investment of the \$4.2 million in the SPIA. Britt made the motion to ratify this short term investment decision and Mylan seconded the motion. All voted to approve.

**Treasurer/Audit Budget Committee:** Brett reported the auditors held their opening conference with the Audit Budget Committee. They previewed the upcoming audit and the expected changes in requirements. The auditors mentioned additional requirements would be needed to complete the IRS Form 990. They also described the increased audit testing they would need to perform this year.

The Directors presented their FY09 Operating Budget request to the Committee. The funds available for the budget rose by 6.89%, approximately \$72,000. These funds are being used to address areas impacted by the University budget cuts. Brett told the Board that the staff had done a very good job providing detailed information on how the funds would be used. He thanked them for their efforts. He asked for a motion to accept the budget. Casey made the motion, Marj provided a second and all voted in favor. Brett concluded his report by briefly

reviewing the budget to actual reports, noting that expenses for the year are in line with the FY2008 Budget through the third quarter for both Foundation and Housing.

**Nominating Committee:** Britt reported that the committee had concluded their work. The slate of nominees and officers provided in the Board Book has been contacted and each has expressed a willingness to serve if approved. One Presidential Appointee position remains to be filled by the incoming UWF President. Britt made the motion to approve the slate of Board nominees and officers and Judy seconded the motion. All voted in favor of the motion.

Britt had excused himself from the Foundation Fellows selection process at the committee meeting, because he was a candidate. The remaining committee members considered the suggested nominees presented and voted to nominate Britt Landrum to join the Foundation Fellows. Judy made the motion for the Board to approve Britt's nomination. Marny seconded the motion and it passed unanimously. Britt thanked the Board, Dean, and the Foundation staff for their work and how much they have done to advance the organization.

**Other Business:**

Susan gave an overview of the Faculty Regalia Loan Program. The program allows faculty to purchase regalia at the beginning of the school year and pay it off by payroll deduction over the course of the year. The regalia will be offered at a discounted price as a package deal for faculty. The Foundation would pay up front for all of the regalia ordered. The maximum individual loan would be \$800 and would be paid back over 16 bi-weekly pay periods. The hope is that more faculty members will be able to purchase regalia and attend commencement ceremonies. Each year, Foundation staff would report back to the Board how many faculty members participated in the program. Judy made a motion to approve the Faculty Regalia Loan Program and Mylan seconded the motion. All voted approval.

Marny highlighted the Board meeting calendar for the upcoming fiscal year and reminded everyone to save the dates on their schedules. She then asked Britt to come forward and read the following resolution into the minutes.

**In Recognition and Profound Appreciation of Distinguished Service**

**Britt Landrum**

WHEREAS, Mr. Britt Landrum, as the Immediate Past President, President, Treasurer, and a Director, has served as a member of the University of West Florida Foundation Board of Directors and dutifully on the Executive Committee, Nominating Committee, Budget/Audit Committee, and Investment Committee, and

WHEREAS, Mr. Landrum has served the UWF Foundation and the University of West Florida on the Campaign Feasibility Study Task Force, and

WHEREAS, Mr. Landrum has made generous contributions to the UWF Foundation for the Maritime Museum, the H. Britt Landrum Scholarship, and the Dan McLeod Scholarship Endowment, and

WHEREAS, Mr. Landrum has served his region, his community, and his profession as the Director of the Board for the Federal Reserve Bank of Atlanta's Jacksonville Branch, Chairman of the Board of Lakeview Center Inc., Treasurer of the Baptist Health Care board, Board member of the National Association of

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Professional Employer Organizations (NAPEO), and Board member of the Florida Workers' Compensation Advisory Board, among others, by providing dedication, commitment, and expert leadership, and

WHEREAS, Mr. Landrum will relinquish his title of Immediate Past President as of June 30<sup>th</sup> of this year, and

WHEREAS, Mr. Landrum, has shown himself to be a constant and positive force in support of the Foundation and the mission of the University of West Florida,

NOW, THEREFORE, BE IT RESOLVED, that the University of West Florida Foundation Board of Directors at its regular meeting on the 3<sup>rd</sup> day of June, 2008 does hereby recognize and commend Mr. Landrum for his unending contributions to the Foundation and the University, and

BE IT FURTHER RESOLVED, that this resolution be included in the minutes of this meeting and an original be presented to Mr. Landrum as a token of the Board's appreciation and sincere thanks.

The resolution was signed by Marny Gilluly, President, UWF Foundation Board of Directors and Dr. John C. Cavanaugh, UWF President & Corporate Secretary for UWF Board of Trustees.



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Marny Gilluly, President UWF Foundation

John Cavanaugh, UWF President

Brett made the motion to adopt the resolution as presented and Mylan added a second. Board members voted unanimous approval.

Marny and President Cavanaugh then individually asked each of the departing Board Members to come forward for special recognition and to receive a gift. They then concluded the meeting by unveiling the Foundation Fellows Portraits for last year's recipients.

Marny adjourned the business meeting at 4:46 pm.

/S/ Susan Stephenson  
July 3, 2008