

DRAFT MINUTES
UWF Board of Trustees
Finance, Administration and Audit Committee Meeting
UWF Conference Center Room B & C
June 14, 2007

Committee Chair Sharon Hess Herrick called the Finance, Administration, and Audit Committee meeting to order at 8:42 a.m. on Thursday, June 14, 2007 and asked Faye Bowers to call roll.

Committee Members Present:

Ms. Sharon Hess Herrick
Ms. Nancy Fetterman
Ms. Marny Gilluly
Ms. Jeanne Godwin
Mr. J.T. Young

Also Attending:

Dr. John Cavanaugh, President
Mr. Honor Bell, Trustee
Dr. Hal White, Executive Vice President
Mr. Bert Hartley, Interim Vice President for Administrative Affairs
Dr. Dean Van Galen, Vice President for Development
Ms. Anita Schonberger, General Counsel
Ms. Kim Spear, Chief of Staff/Assistant Corporate Secretary/BOT
Ms. Faye Bowers, Executive Specialist/Assistant Corporate Secretary/BOT

Chair's Greetings

Chair Hess Herrick welcomed everyone.

Action Items

1. A motion was made to approve the **Minutes of March 20, 2007 and June 4, 2007** as presented by Chair Hess Herrick.

March 20 Minutes http://uwf.edu/trustees/Jun14_07/032007.pdf

June 4 Minutes http://uwf.edu/trustees/Jun14_07/060407.pdf

Motion by: Trustee J.T. Young

Seconded by: Trustee Jeanne Godwin

Motion passed unanimously.

2. A motion was made to **Approve Delegation of Authority for University Property to the President** as presented by Anita Schonberger, General Counsel who noted that the University President would be the lawful custodian of all University property.

Motion by: Trustee Marny Gilluly

Seconded by: Trustee Nancy Fetterman

Motion passed unanimously.

3. A motion was made to approve **Regulation Amendment UWF/REG 6.004 Surplus Property** as presented by Bert Hartley who discussed the regulation amendment for the surplus of property. It was an update to an existing surplus property regulation. Because the language was changed after the initial posting, the regulation will be posted again for thirty days after

BOT approval. If there are no comments, the regulation will become effective at the conclusion of the 30 day period.

Regulation 6.004 http://uwf.edu/trustees/Jun14_07/FA_UWFREG6_004.pdf

Motion by: Trustee Fetterman

Seconded by: Trustee Young

Motion passed unanimously.

A motion was made to approve increases in **Tuition and Fees** for students and to approve of amendments to UWF Reg. 4.008, Tuition Rates, Fees, Fines, and Penalties and to delegate certain functions related to the regulation and to tuition and fees to the BOT Executive Committee. as presented by Anita Schonberger

- a 3% increase in matriculation for graduate students,
- a 3% increase in non-resident fees, and
- an increase in the associated financial aid fees
- Approve amendments to the Tuition and Fee regulation to reflect the increases in the graduate matriculation fees, the non-resident fees, the financial aid fees, and the third time repeat fee set by the Board of Governors, and the previously approved increases in the Health, Athletic and Activity and Service fees.
- Approve adoption of the amendments to the Tuition and Fee regulation by both emergency procedure.
- Delegate to the BOT executive committee the authority to approve of the amendment to the Tuition and Fee regulation as it proceeds through the regular regulation adoption procedures.
- Delegate to the BOT Executive Committee the authority to consider and take appropriate action on any increases in undergraduate matriculation fees in the event such fees are reauthorized by the Board of Governors.

This year the legislature authorized a 5% increase for undergraduates, but was vetoed by the governor in May. This (UWF) board has the authority to increase the graduate matriculation fees, the out-of-state fees, and fees for health, athletics, and activity and service fees. Chair Hess-Herrick added that this is going to be a difficult year for budget cuts since the 5% increase was rejected by Governor Crist. Ms. Schonberger asked that these fees be approved by Emergency procedure and also by regular procedure effective on July 1, 2007 for the following semester.

Proposed Amendment to Regulation 4.008 Tuition Rates, Fees, Fines, and Penalties.

http://uwf.edu/trustees/Jun14_07/FA_FINAL_TF.pdf

Motion by: Trustee J.T. Young

Seconded by: Trustee Marny Gilluly

Motion passed unanimously.

4. A motion was made to approve amendment to **Regulation UWF/REG 5.001 Parking and Traffic Control 2007** as presented by Dr. Jim Barnett, Associate Vice President. The amendments included: modifying reserved parking so that those spaces would no longer be restricted 24 hours per day but would be restricted only during the hours of 7:00 a.m. – 5:30 p.m. so that students could use those spaces during the evening, reducing the criteria for immobilization from six unpaid tickets to three, increasing the fee for immobilization from \$25 to \$50 and clarification of the language. The amendment would become effective on July 1, 2007.

Regulation 5.001 http://uwf.edu/trustees/Jun14_07/FA_UWFREG5_001.pdf

Motion by: Trustee Nancy Fetterman

Seconded by: Trustee Jeanne Godwin

Motion passed unanimously.

5. A motion was made to approve the **2006 Educational Plant Survey** as presented by Dr. Jim Barnett who briefed the committee. He recognized Space Manager for the Department of

Architectural and Engineering Services, Robin Anderson for an excellent job in preparing the report.

2006 Ed Plant Survey http://uwf.edu/trustees/Jun14_07/FA_2006_Ed_Plant_Survey.pdf

SUS Checklist for DOE http://uwf.edu/trustees/Jun14_07/FA_EDCkfst.pdf

Motion by: Trustee J.T. Young

Seconded by: Trustee Marny Gilluly

Motion passed unanimously.

6. A motion was made to approve the **Housing Rate for Triple Occupancy** as presented by Dan Motherway who proposed a triple rate for occupancy. The rate would be \$1500 per person, per semester to accommodate the anticipated large number of students desiring to live on campus. There would be as many as 30-40 rooms designated for the triple rate and the triple occupancy plan as currently envisioned would be implemented only when necessary to meet excess capacity.

Motion by: Trustee Marny Gilluly

Seconded by: Trustee J.T. Young

Motion passed unanimously.

8. A motion was made to approve a change in the **Health Fee** collection practices as presented by Dr. Jim Hurd. Previously, only students enrolled in courses with a Pensacola campus location code were assessed the Health Fee. With the changing nature of health services (increased psychological services, expanded health promotion and prevention outreach programs, and the growing availability of on-line resources) at least some form of service is available to all students regardless of location. The intent of the proposed change in fee collection practice is to ensure adequate and equitable funding of these critical student services. It is estimated that 25%-30% of student credit hours are presently exempt from the Health Fee collection. There is an appeal process that is included in the student handbook.

Motion by: Trustee Nancy Fetterman

Seconded by: Trustee J.T. Young

Motion passed unanimously.

7. A motion was made to approve the **2008-2009 Legislative Budget Request** as presented by President Cavanaugh who reported that the BOG has been asked to assist with funding for the Emerald Coast and if approved it would be \$2.5 million that wouldn't have to be put on our Legislative Budget Request. Cavanaugh requested a delegation of authority from the full board to the Executive Committee for a quicker approval process saying we (UWF) are looking at funding for our history related programs such as the historic village, WFHPI, and the Maritime Museum as well as funding for Academic Quality Initiative. The entire LBR would be somewhere along the lines of \$5.6 million which is comparable to current year.

Motion by: Trustee Marny Gilluly

Seconded by: Trustee Nancy Fetterman

Motion passed unanimously.

8. A motion was made to approve the **FY2008-09-2012/13 Five Year Public Education Capital Outlay Improvement Plan (PECO)** as presented by Dr. Jim Barnett. Approval of the 2008-2009 Fixed Capital Outlay Plan was requested for submission to BOG on August 1, 2007 for consideration during the April/May 2008 legislative session.

CIP-2 Project Summary http://uwf.edu/trustees/Jun14_07/FA_CIP_2.pdf

There are two key points to this plan.

- The first is the College of Business Education Center additions and renovations to six other buildings that are connected to that structure.

- The second is that eleven additional university buildings would receive partial or total renovations.

Motion by: Trustee J.T. Young

Seconded by: Trustee Marny Gilluly

Motion passed unanimously.

Chair Hess-Herrick called a ten minute break. The meeting resumed.

9. A motion was made to approve the **2007-08 Internal Auditing and Management Consulting [IAMC] Work Plan** as presented by Betsy Bowers who stated that her department will be completing three audits which are in process; including the Construction Management Payments audit, the Social Security Number Usage audit, and the College Reach Out Program [CROP] audit.. These will be released in 2007-2008. Additionally, a Sponsored Research audit is scheduled for 2007-08. P-Card audits are on-going, 21 departments were reviewed in 2006-07. Chair Hess-Herrick asked for the approval of the 2007-2008 work plan for IAMC.

Work Plan http://uwf.edu/trustees/Jun14_07/FA_Internal_Audit200708Work_Plan.pdf

Motion by: Trustee Marny Gilluly

Seconded by: Trustee J.T. Young

Motion passed unanimously.

10. A motion was made to approve the **UWF Annual Financial Report for 2005-2006** performed by the Florida Auditor General as presented by Betsy Bowers who noted that this would probably be the last time that we do not have audit findings in relation to our financial statements audit due to new auditing standards which have lowered the threshold for reportable items. .

Audit Report http://uwf.edu/trustees/Jun14_07/FA2005_06_2007_155.pdf

Motion by: Trustee Nancy Fetterman

Seconded by: Trustee Marny Gilluly

Motion passed unanimously.

A motion was made to approve the **UWF Internal Auditing and Management Consulting-Audit Report on (SES) Supplemental Education Services** as presented by Betsy Bowers noting the audit was requested by the President when UWF management identified potential significant overspending on a grant account. UWF management wanted the BOT to know that any concerns related to fiscal and operational issues were promptly investigated and reported to the Trustees. The SES grant is part of the "No Child Left Behind Act" whereby the Federal government funds each state which in turn provides funding to the school districts. From there, parents select providers for their child's tutoring and the school district pays the provider for the tutoring. Student eligibility is based on the free/reduced lunch standards and scoring on the FCAT. UWF is among 190 state approved providers and during 2006-07 UWF provides tutoring for these students who qualify and has had a significant increase in the experienced an unparalleled increase in the number of students in the program (more than 300% growth). For 2006-07, several factors raised management concerns: rapid expansion without adequate forecasting, tutors being paid on a per hour basis rather than a flat fee and more than 1280 students requiring individual assessments without having access to school district assessments. Three findings were included in the audit: a) improve internal controls, improve fiscal management and accountability and c) establish operational and financial milestones to gauge the success of the program . Dr. Don Chu, Dr. Joe Peters, and Dr. Kathleen Heubach were in attendance to answer any questions. Dr. Chu affirmed that UWF was a choice provider of SES within the four county region, the UWF SES program grew phenomenally and fiscal oversight Was being closely monitored on the grant. A financial plan for the 2007-08 year includes milestones and appears to be solid and well-focused. **Audit Report** http://uwf.edu/trustees/Jun14_07/FA_SES_FINAL.pdf

Motion by: Trustee Marny Gilluly
Seconded by: Trustee J.T. Young
Motion passed unanimously.

11. A motion was made to approve the **State of Florida Compliance and Internal Controls over Financial Reporting and Federal Awards for FY 2005/2006 Audit Report** as presented by Betsy Bowers who noted a total of \$18,115.21 in questioned cost which includes three major categories: cash management which totaled \$4,578.33, eligibility which totaled \$11,622.54 and special tests and provisions which totaled \$1,914.39. Regarding questioned costs, Ms. Bowers explained that UWF distributes federal financial aid on the first day of classes, whereas most schools wait until the drop/add period has closed to distribute funds. A workgroup has been analyzing the volume of students who enroll, obtain their financial aid, then drop all classes, which leaves UWF responsible to reply the Federal government. UWF then has to seek repayment from the student. The University will seriously consider the timing of the distribution of the Federal funds. Ms. Bowers reported on the previous Federal Funds audit give (5) findings: two have been fully corrected and three have been partially implemented and they relate to institute grants.

Audit Report http://uwf.edu/trustees/Jun14_07/FA_2006Fed_Funds_Audit2007_146.pdf

Motion by: Trustee J.T. Young
Seconded by: Trustee Marny Gilluly
Motion passed unanimously.

12. A motion was made to review and approve the **2006-2007 UWF Florida Equity Reports** as presented by Sherell Hendrickson who reported that the BOG requires that the Florida Equity Report be submitted annually and is due this year on June 29, 2007. The report covers enrollment, gender equity in athletics, tenure, and executive administrative managerial employment. It focuses primarily on females and races other than Caucasian. **Equity Report** http://uwf.edu/trustees/Jun14_07/FA_FLEquityReport.pdf

Motion by: Trustee J.T. Young
Seconded by: Trustee Marny Gilluly
Motion passed unanimously.

13. A motion was made for **Conceptual Approval of a merger of the Pensacola Historical Society and West Florida Historic Preservation, Inc.** as presented by Richard Brosnam who introduced Sandra Johnson Jordan (president of society) and Mr. Don Sales who was representing Alger-Sullivan. He also spoke of the opportunity for the partnership. Sandra spoke of the history and feelings of her organization. They will develop a merger document that will address the specific details for the merger. This is conditional based on funding.

Merger http://uwf.edu/trustees/Jun14_07/FA_PHS_WFHPI_Partnership.pdf

Motion by: Trustee Nancy Fetterman
Seconded by: Trustee J.T. Young
Motion passed unanimously.

14. A motion was made for **Conceptual Approval of a merger of the Alger-Sullivan Historical Society and West Florida Historic Preservation, Inc** as presented by Richard Brosnam who introduced Don of Alger-Sullivan. ASHS and WFHPI will develop a merger document that addresses the specific details of the merger. There are five buildings along with their collections proposed to be gifted. This is a conceptual partnership. The concept was approved and further documents will be offered.

Merger: http://uwf.edu/trustees/Jun14_07/FA_ASHS_WFHPI_Partnership.pdf

Motion by: Trustee J.T. Young
Seconded by: Trustee Marny Gilluly
Motion passed unanimously.

Informational Items

1. The **Development Update** was presented by Dr. Dean Van Galen. Blue Cross and Blue Shield of Florida donated an endowment gift of \$600,000 in support of the nursing program. This is eligible for a 70% match from the state. This will help to launch the Master in Science and Nursing program. He also discussed the fundraising efforts for the Maritime Museum. The Pensacola News Journal sponsored the "Our Community, Our Challenge" effort by listing donors every week. Over 500 gifts were given totaling \$1.36 million. That is about halfway to our goal. The 40th anniversary celebration will be taking place in September. The GOLD (Graduates of the Last Decade) program is being introduced as a way to promote Alumni participation in the campus. The Creating Great Futures Campaign will kick off on September 25, 2007 at the Naval Aviation Museum. We are making enormous progress with that campaign. He also gave an update of gifts and donations that have been given to the UWF Foundation. Trustee Gilluly said that the campaign is going very well. She also mentioned about other donations that have been given for the Maritime Museum and the first four Argoscholars have been selected. Many board members have also made gift donations.
2. The **Facilities Maintenance Update** was given by Dr. Jim Barnett. He discussed the Plant Maintenance Services and the need to make the campus look nice while still operating on a budget. He also recognized the new director of Facilities Management Mr. Baker Nelson. He gave the scope of focus for the E&G challenge.

With no further items to be brought before the committee, Chair Hess Herrick called for adjournment occurred 11:25 a.m.

Respectfully submitted,

Faye H. Bowers
Recording Secretary