

**MINUTES**  
**UWF Board of Trustees**  
**Finance, Administration and Audit Committee Meeting**  
**UWF Conference Center**  
**December 11, 2009**

Committee vice Chair J.T. Young called the Finance, Administration, and Audit Committee meeting to order on December 11, 2009 asking if any others were participating by conference phone. Trustee Jeanne Godwin joined by conference call. He then asked Faye Bowers to call roll. Trustee Sharon Hess Herrick and Marny Gilluly were unable to attend the meeting. Members participating by conference call are designated with an asterisk\*. Committee members attending were:

Mr. J.T. Young  
Ms. Jeanne Godwin\*  
General Chuck Horner (RET)

Also attending:

Mr. K.C. Clark, BOT Chair  
Mr. Roy Smith, BOT vice Chair  
Ms. Nancy Fetterman, Trustee  
Ms. Amanda Clonts, Trustee  
Dr. Judy Bense, President  
Dr. Hal White, Executive vice President  
Dr. Kyle Marrero, Interim vice President for University Advancement  
Dr. Jim Hurd, Interim vice President for Student Affairs  
Mrs. Patricia Lott, General Counsel  
Dr. Kimberly Sessions Spear, Chief of Staff/Assistant Corporate Secretary/BOT  
Ms. Faye Bowers, Executive Specialist/Assistant Corporate Secretary/BOT

**Vice Chair's Greetings**

Vice Chair Young welcomed everyone and thanked them for attending. He reminded all of the schedule changes; upon adjournment the Academic and Student Affairs Committee would convene immediately.

**Action Items**

1. The **minutes of September 18, 2009** were presented by vice Chair Young who asked if there were any corrections or additions. A motion was made to approve the minutes of September 18, 2009 as presented.  
Motion by: Trustee Horner  
Seconded by: Trustee Clark  
Motion carried unanimously.

2. **Re-Appropriation of Public Education Capital Outlay (P.E.C.O.) Project Funding – Natatorium Phase I of II** was addressed by Dr. Hal White and then Dr. Jim Barnett. A motion was made to approve giving the president the authority, as necessary, to request the BOG to re-appropriate funds from the FY08-09 Natatorium Renovation, Phase I of II project as presented.

The project received a PECO appropriation of \$4.126 Million. The University has begun planning this fall semester for Heritage Hall, the next residence hall, to be occupied August 1, 2012. This planned growth requires a new sanitary sewer infrastructure project to be installed during the summers of 2010 and 2011.

The request is for re-appropriation of \$1.126 Million from this Natatorium Phase I of II to supplement the University allocation for Utilities Infrastructure funding for this purpose to the extent required by an anticipated Statewide reduction in utilities infrastructure funding. After completing the utility project installation, unobligated monies from any transfer will be returned to the Natatorium Phase I of II project.

This would be submitted to the Chancellor's Office in January 2010 if approved by the Board.

Motion by: Trustee Horner  
Seconded by: Trustee Clark  
Motion carried unanimously.

3. **FY2010/11 – 2014/15 Amended Fixed Capital Outlay Plan** was presented by Dr. Hal White accompanied by Dr. Jim Barnett. A motion was made to approve the Proposed Amendment Changes of the FY 2010-2011 – 2014-2015 Amended Fixed Capital Outlay Plan.

- a. updated the FY2010/2011 Capital Renewal Infrastructure request commensurate with the B.O.G. September distribution forecast,
- b. increased the Maritime Museum and Research Center, Ph. I of III state request commensurate with the updated private donations as of November 6 (will update as of December 31, 2009), and
- c. identified a Maritime Museum and Research Center, Ph. III of III. The Plan aligns with the existing Campus Master Plan adopted in March, 2008. The Board of Governors will compile the list from each of the colleges and universities and present it to the Governor and Legislature, along with requests from community colleges and public schools. The Legislature then determines which projects are funded. This process is pursuant to Florida Statute 1013.64, and Sections 216.0158 and 216.043.

This would be submitted to the Chancellor's Office in January 2010 if approved by the Board.

*Proposed Amended Five-Year Plan, Dec.11, 2009*

[http://uwf.edu/trustees/Dec11\\_09/FY2011\\_14\\_PECO.pdf](http://uwf.edu/trustees/Dec11_09/FY2011_14_PECO.pdf)

*B.O.T. Approved Five-Year Plan, June 2, 2009*

[http://uwf.edu/trustees/Dec11\\_09/BOTA\\_FY2011\\_14\\_PECO.pdf](http://uwf.edu/trustees/Dec11_09/BOTA_FY2011_14_PECO.pdf)

Motion by: Trustee Horner  
Seconded by: Trustee Clark  
Motion carried unanimously.

4. **External Audits** were presented by Ms. Betsy Bowers. A motion was made to accept external audits of the West Florida Historic Preservation, Inc. and the UWF Foundation. Organizations affiliated or through the University of West Florida (aka Direct Support Organizations) must be certified annually by the University of West Florida. For UWF, the following are ready to be certified for fiscal year ending June 30, 2009:

- University of West Florida Foundation, Inc. and
- West Florida Historic Preservation, Inc.

Specifically for the WFHPI: Section 13 of the agreement between the University of West Florida and the West Florida Historic Preservation, Inc, (WFHPI), dated July 1, 2001, requires UWF shall certify on an annual basis, after consideration of the information provided by the Corporation (WFHPI) that the corporation is complying with the terms of this agreement and in a manner consistent with the goals and purposes of UWF and in the best interest of the State. Such certification shall be made annually and reported in the minutes of the meeting of the Board of Trustees of UWF.

**Results:** To ensure compliance with the agreement, the associate vice president for Internal Auditing and Management Consulting performed a cursory review of the documents and determined each met the requirements.

- UWF Foundation had one management letter item related to properly recording certain items, which were promptly corrected by the Foundation. They were:
  - To properly record the fair value of contribution receivables between temporarily restricted and permanently restricted.
  - To properly record restricted cash reserves for gift annuities in compliance with Florida Statute chapter 627.81.
  - To record accrued interest for Series 2009 bonds.

The Foundation has also put procedures in place guard against these oversights happening in the future.

- WFHPI: Two audit findings were contained in this report.
  - WFHPI had the repeat finding regarding segregation of duties as a significant internal control deficiency. UWF Internal Auditing met with WFHPI in October and November 2009 to discuss the existing process, and possible process enhancements, for improving segregation of duties related to receiving and disbursing cash. Internal Auditing will continue to work with WFHPI to ensure that suitable procedures are established and documented.
  - The second finding identified the lack of staff with expertise to maintain the accounting records in accordance with GAAP. (This relates to vacancies of the WFHPI business manager position and the Pensacola Historical Society's bookkeeper position prior to the merger with the Pensacola Historical Society.). WFHPI management employed the assistance of a QuickBooks expert and a CPA to temporarily remedy the situation. Unfortunately, with budget cuts the WFHPI business manager position was lost. WFHPI hired an office administrator with 25 years of university financial management experience to assume these responsibilities. Additionally, WFHPI management agreed that engaging a CPA firm to assist with these functions might be appropriate.

*University of West Florida Foundation, Inc. Statements*

[http://uwf.edu/trustees/Dec11\\_09/UWFFND\\_2009\\_Audited\\_Financial\\_Statements\\_Final.pdf](http://uwf.edu/trustees/Dec11_09/UWFFND_2009_Audited_Financial_Statements_Final.pdf)

*UWF Foundation MGMT Letter*

[http://uwf.edu/trustees/Dec11\\_09/UWFF\\_MGMT\\_LTR.pdf](http://uwf.edu/trustees/Dec11_09/UWFF_MGMT_LTR.pdf)

*West Florida Historic Preservation, Inc. Statements*

[http://uwf.edu/trustees/Dec11\\_09/Saltmarsh\\_Audit\\_Report\\_063009.pdf](http://uwf.edu/trustees/Dec11_09/Saltmarsh_Audit_Report_063009.pdf)

Motion by: Trustee Horner

Seconded by: Trustee Clark  
 Motion carried unanimously.

5. **Revised 09-10 Internal Auditing Work Plan** was, also presented by Ms. Betsy Bowers. A motion was made to approve the revised Internal Auditing and Management consulting Work Plan. Internal Auditing has had significant staff turnover within the past six months making it necessary to Revise the 2009/10-2010/11 Work Plan. The following changes to the work plan will occur.

1. Completion of the SGA audit.
2. Increased audit and MAS activities related to auxiliary activities in Academic Affairs, and WFHPI.
3. Delay the start of Construction audit (Science & Technology) until May 2009.
4. Delay the Contracted Services audit until 2010/11.
5. Continue to participate in evaluation of rules/policies and procedures and any changes needed for UWF.
6. Continue to conduct various management advisory services. To date, seven management advisory services (segregation of duties issues, state property insurance, SSN collection and compliance with new Florida Statute, workflows within departments, etc.) have been completed with several more in process.

*Revised work for Internal Auditing & Management Consulting*  
[http://uwf.edu/trustees/Dec11\\_09/Revised\\_0910\\_IAMC\\_WP.pdf](http://uwf.edu/trustees/Dec11_09/Revised_0910_IAMC_WP.pdf)

Motion by: Trustee Clark  
 Seconded by: Trustee Horner  
 Motion carried unanimously.

6. **ERCCD Fees for 2010-2011** was presented by Dr. Tammy McGuckin and Ms. Cindy Watson. A motion was made to approve the ERCCD Fees for 2010-2011 as reflected below. Rule 6-C7.003 (Special Fees, Fines, and Penalties) requires the Board of Trustees to establish or change child care and service fees for Educational Research Center for Child Development.

**CURRENT AND PROPOSED WEEKLY CHILD CARE FEES  
 FOR 2010-2011**

	Current Fees	Proposed Fees	Amt. Increase	% Increase
<b>Infant/Toddler</b>				
<b>Student</b>	\$112.00	\$115.00	\$ 3.00	2.7%
<b>Non-Student</b>	\$130.00	\$135.00	\$ 5.00	3.8%
<b>Preschool I &amp; II</b>				
<b>Student</b>	\$98.00	\$100.00	\$ 2.00	2.0%
<b>Non-Student</b>	\$116.00	\$120.00	\$ 4.00	3.4%
<b>School Age</b>				
<b>Summer Camp</b>	\$95.00	\$100.00	\$ 5.00	5.3%
<b>No increase to Registration fees</b>				

*Exhibit A – UWF Comparative Schedule of Current Local Child Care Rates 11/2009*  
[http://uwf.edu/trustees/Dec11\\_09/ERCCD\\_ExhibitA.pdf](http://uwf.edu/trustees/Dec11_09/ERCCD_ExhibitA.pdf)

Motion by: Trustee Clark  
 Seconded by: Trustee Horner  
 Motion carried unanimously.

7. **Student Activity and Service, Health, Athletic Fee Increase** was, also, presented by Dr. McGuckin,. A motion was made to approve the proposed Student Activity and Service, Health, Athletic fee increases effective Fall Semester, 2010. Section 1009.24, Florida Statutes, requires each university Board of Trustees to establish separate Activity and Service, Athletic, and Health Fees. The law further provides that any increase in the fees be recommended by campus fee committees. One-half of each committee shall consist of students appointed by the student body president, with the remainder appointed by the university president. The statute further requires that the university president approve any proposed increases after consultation with the student body president with final approval by the University Board of Trustees. The Statute limits the fees to no more than 40 percent of the matriculation fee. The UWF percentage of matriculation fees for 2009-10 is 32.4% for students newly enrolled at UWF in the Fall of 2009 and 34.6% for students enrolled prior to Fall 2009. Within the 40 percent cap, universities may not increase the aggregate sum of Activity and Service, Athletic, and Health Fees more than 5 percent per year unless specifically authorized in law or in the General Appropriations Act.

The proposed increases are **\$ 1.53 per credit hour, or an increase of 5.0 percent.**

<b>Fee</b>	<b><u>2009-2010</u></b>	<b><u>2010-2011</u></b>	<b><u>Increase</u></b>	<b><u>Percentage Increase</u></b>
A&S	\$11.20	\$11.69	<b>\$ 0.49</b>	4.38%
Athletic	\$14.22	\$14.78	<b>\$ 0.56</b>	3.94%
Health	\$5.19	\$5.67	<b>\$ 0.48</b>	9.25%
<b>Total</b>	<b>\$30.61</b>	<b>\$32.14</b>	<b>\$ 1.53</b>	<b>5.00%</b>

*Memo Requesting Approval*  
[http://uwf.edu/trustees/Dec11\\_09/Memo.pdf](http://uwf.edu/trustees/Dec11_09/Memo.pdf)  
*Exhibits A & B (Fee Comparison and Student Fee Committee Minutes*  
[http://uwf.edu/trustees/Dec11\\_09/Exhibits.pdf](http://uwf.edu/trustees/Dec11_09/Exhibits.pdf)  
 Motion by: Trustee Clark  
 Seconded by: Trustee Horner  
 Motion carried unanimously.

Informational/Discussion Items

1. **An Update on FY 09-10 Operating Budget Summary** was presented by Dr. Susan Stephenson, Director of University Budgets. The Life-to-Date Capital Budget shows that the university is on schedule with the current capital plan implementation. The Science and Technology project continues on schedule with completion in December 2009. The new building project for the Wellness Center and the renovation projects for the Aquatics Center, Women’s Locker Room, Building 70 and 79 (funded as part of the Science and Technology appropriation) are in the design and award phases. The College of Business Phase I of III project programming phase began in September.

1<sup>st</sup> Qtr – Final - [http://uwf.edu/trustees/Dec11\\_09/4Q\\_Final063009.pdf](http://uwf.edu/trustees/Dec11_09/4Q_Final063009.pdf)

2. **2008-2009 Annual Report to the State of Florida** was presented by Ms. Colleen Asmus. The University of West Florida is a component of the State of Florida. As such, UWF's 2008-2009 financial information for incorporation into the State of Florida's Comprehensive Annual Financial Report (CAFR) was due and submitted to the Florida Department of Education on September 15, 2009. While very similar to UWF's annual published financial statements, this report to the state may not include all final audit adjustments and does not contain a Statement of Cash Flows. Additionally, information contained in the footnotes to UWF's published Annual Financial Statements is reported to the state on specifically prescribed Component Unit Forms. While financial information is available separately for the university and each of its component units, this information is presented in consolidated format to the state.

[http://uwf.edu/trustees/Dec11\\_09/CU\\_Form.pdf](http://uwf.edu/trustees/Dec11_09/CU_Form.pdf)

[http://uwf.edu/trustees/Dec11\\_09/F89\\_GSB65R02\\_Adjusted2.pdf](http://uwf.edu/trustees/Dec11_09/F89_GSB65R02_Adjusted2.pdf)

With no other items to discuss, Trustee Young turned the meeting back over to Chair Clark.

Respectfully submitted,

Faye H. Bowers  
Recording Secretary