Minutes
Finance, Facilities & Operations Committee Meeting
UWF Board of Trustees
February 14, 2019

Committee Chair, Trustee Suzanne Lewis called the meeting to order at 9:38 a.m.

Trustees Suzanne Lewis and Dave Cleveland were in attendance. Trustee Lewis Bear, Jr. was absent.


Trustees Alonzie Scott and Jill Singer joined by telephone.

Others attending:
Dr. George Ellenberg, Provost and Senior Vice President; Dr. Pam Northrup, VP, Innovation and Strategic Research; Ms. Pam Langham, General Counsel; Mr. Howard Reddy, VP, University Advancement; Dr. Kim LeDuff, VP Academic Engagement; Dr. Kimberly McCorkle, Vice Provost; Ms. Betsy Bowers, VP, Finance & Administration; Ms. Janice Gilley, Associate Vice President, External Affairs; Dr. Melinda Bowers, Director, Facilities Operations & Emerald Coast Campus; Dr. Tim O’Keefe, Dean COB; Dr. Steve Brown, Dean CASSH; Dr. William Crawley, Dean CEPS; Dr. Jaromy Kuhl, Dean MCMCOSE; Dr. Matthew Schwartz, Dr. Brandon Frye, Dean of Students; Dr. Ed Ranelli, CEO, BEI; Mr. Rob Overton, Executive Director, Historic Trust; Police Chief Marc Cossich; Dr. Denise Seabert, Dean, College of Health; Ms. Michele Manassah, Director Health and Wellness; Ms. Megan Gonzalez, Executive Director, University Communications; Ms. Angie Jones, Director, Procurement and Contract Services; Mr. Vito Hite, Chief Audit Executive, Internal Auditing & Management Consulting; Ms. Cynthia Talbert, Internal Auditor III; Mr. Matt Packard, Compliance Officer, Internal Auditing; Mr. Dan Lucas, CFO, UWF Foundation; Mr. Dave Scott, Athletics Director; Mr. Neil McMillion, Director Housing and Residence Life; Mr. Brice Griffin, Assistant Director, Residence Life; Mr. Matt Marshall, Director University Commons; Ms. Tiffany Nisewonger, Executive Assistant, Finance & Administration; Ms. Angela Wallace, Director, Finance & Administration; Ms. Elizabeth Mrachek, PCard Auditor, Internal Auditing & Management Consulting; Ms. Colleen Asmus, University Controller; Mr. Jeff Djerlek, Assistant Controller; Dr. Jim Hurd, Senior Associate VP Student Affairs Administration; Mr. Ross Dahlstrom, Network Engineer; Mr. Chuck Bell, Telecommunications; Mr. Chase Green, BOT IT; Mr. Cody Thurber, BOT IT; Mr. Eric Ingerman, Sound Engineer; Ms. Kat Zatapkova, BOT Student Assistant and Ms. Becky Luntsford, Recording Secretary.
CHAIR’S GREETING
Trustee Lewis welcomed all those present and explained there were four action items and four information items on the agenda.

ACTION ITEMS

Vice President of Finance & Administration, Ms. Betsy Bowers; Vice President for University Advancement, Mr. Howard Reddy; and Associate Vice President for University Advancement, Mr. Dan Lucas presented the first two action items.

1. Approval of Fiscal Year 2019 UWF Direct Support Organizations Operating Budgets.

Florida Board of Governors regulation 9.011 University Direct Support Organizations (DSOs) and Health Services Support Organizations, states in Section (4): “Operating budgets of support organizations shall be prepared at least annually and approved by the organization’s governing board and the board of trustees.” Additionally, 1004.28(2)(B), Florida Statutes states: “...Such regulations shall provide for budget and audit review and oversight by the board of trustees, including thresholds for approval of purchases, acquisitions, projects, and issuance of debt.”

UWF has three DSOs: UWF Foundation, Inc., West Florida Historic Trust, Inc. and Business Enterprises, Inc. Each prepared their Annual Financial Plans for FY 2019 which were approved by their respective, independent Boards of Directors in advance of this meeting. These three financial plans are being presented today to the UWF Board of Trustees for review and approval, pursuant to Florida Statutes and DSO Regulations.

Delegation of authority has been granted to the University President in UWF Regulation 5.016, Direct Support organizations to “monitor and control the use of university resources by the DSO”. Further, this regulation, Section (2)(3) states: The President or designee(s) shall have the following authority and duties:

1. Monitor and control the use of University resources by the DSO.
2. Establish fundraising priorities that are consistent with the University’s mission and ensure coordination of fundraising activities among all DSOs.
3. Control the use of the University name by the DSO.
4. Monitor compliance of the DSO with federal and state laws.
5. Recommend to the governing board of the DSO an annual budget.
6. Review and approve quarterly expenditure plans.
7. Approve contributions of funds or supplements to support intercollegiate athletics.

Chair Lewis asked for a motion recommending the full Board, at its March 20, 2019 meeting, approve Fiscal Year 2019 Direct Support Organizations Operating Budgets and authorize the University President to amend budgets consistent with legislative, Board of Governors and BOT directives and guidelines.
2. Approval of Amendments to UWF Regulation 5.016 Direct Support Organizations. UWF Regulation 5.016 must be amended to align with changes in Section 1004.28, Florida Statutes and Florida Board of Governors Regulation 9.011.

The proposed changes to this regulation include:

1. Clarification of DSO definition;
2. Additional requirement to create a new DSO;
3. Additional limitations on use of university property;
4. Nominations to a DSO board and DSO executive committee by the Chair and President;
5. Requirement to present DSO budget to the BOT for review and approval;
6. Chair and President’s access to DSO records;
7. Establishment of appropriate thresholds that delineate when approval of Board of Trustees is Required;
8. Requirement that any debt issued by a DSO is subject to the State University System Debt Management Guidelines;
9. Requirement that all public-private partnership (P3) transactions involving a DSO are subject to the State University System Public-Private Partnership Guidelines;
10. If decertified, regulation added a provision requiring that all property will be returned to the University as requested;
11. Added provision requiring that University personal services used by a DSO are subject to the remuneration requirements set forth in Section 1012.76, Florida Statutes;
12. Added a prohibition against using state funds for travel expenses incurred by the DSO;
13. Added a prohibition against gift(s) to a political committee for any purpose;
14. Added a provision requiring DSOs to comply with all obligations under the law and BOG regulations; and
15. Clarified the laws applicable to the University of West Florida Historic Preservation, Inc.

Chair Lewis asked for a motion recommending the full Board, at its March 20, 2019 meeting, approve the amendments to UWF Regulation 5.016 Direct Support Organizations as presented.

Motion by: Trustee Dave Cleveland
Seconded by: Trustee Suzanne Lewis
Motion passed unanimously.
3. Approval of Repeal of University Rule 6C6-5.016 Direct Support Organizations. General Counsel, Ms. Pam Langham presented this item.

The Florida Legislature recently amended Section 1004.28, Florida Statutes concerning direct support organizations. Consequently, the University is no longer required to have University Rule 6C6-5.016 Direct Support Organizations, but is required instead to have a regulation. The content of the rule, in addition to provisions and revisions necessitated by Section 1004.28, Florida Statutes and the new Florida Board of Governors Regulation 9.011, has been incorporated into University Regulation 5.016.

Chair Lewis asked for a motion recommending the full Board, at its March 20, 2019 meeting, approve the repeal of University Rule 6C6-5.016 Direct Support Organizations as presented.

Motion by: Trustee Dave Cleveland
Seconded by: Trustee Suzanne Lewis
Motion passed unanimously.

4. Approval of Proposed Amendment to UWF Regulation 5.010 Educational Research Center for Child Development. Dr. Jim Hurd, Senior Associate Vice President for Enrollment and Student Affairs presented this item.

BOG Regulation 10.004 provides that the Board of Trustees may establish or change child care and service fees for Educational Research Center for Child Development (ERCCD). ERCCD child care fees were last increased in Fall 2017. These rates have been presented and approved by the ERCCD Advisory Board as required by BOG Regulation 10.004.

This fee increase is being driven by and increased operational and staffing costs, particularly for lead teachers, linked to market competition. It is important to note that student rates are not increasing and have not increased in 4 years. As evidenced by the attached market rate comparison, student rates are all significantly below the average of our comparison group. Similarly, non-student rates (faculty, staff, and alumni) will continue at or below market rates, ranging from 10.4% lower for the infant group to only 0.3% higher for 2-year olds.
New fees will be implemented beginning Fall Semester 2019.

Chair Lewis asked for a motion recommending the full Board, at its March 20, 2019 meeting, approve the proposed non-student fee increases as presented and as included in the amendment to UWF Regulation 5.010 Educational Research Center for Child Development.

Motion by: Trustee Dave Cleveland
Seconded by: Trustee Suzanne Lewis
Motion passed unanimously.

Trustee Bob Jones requested that Dr. Hurd provide the Board with the Center’s budget showing the justification for the increase in fees requested.

Chair Lewis said she agreed this is an important support document to be included in the agenda packet going forward.

Dr. Hurd agreed to do so.

INFORMATION ITEM

1. Fiscal Year 2018-19 Operating Budget Summary was presented by Ms. Colleen Asmus, Associate Vice President for Finance, University Controller.
Ms. Betsy Bowers presented the remaining information items.

2. **UWF Strategic Deployment of University Carryforward.**

3. **Major Facilities Construction Update.**

4. **Leased Properties Downtown Pensacola.**
Ms. Bowers provided a report containing a list of leased downtown properties.

Chair Lewis stated she wished to pull this informational item and requested university staff to gather more information, provide a bigger picture and bring the item back to the Committee at a later date.

**ADJOURNMENT**

With no further Finance, Facilities and Operations Committee items to discuss, the meeting was adjourned at 11:39 a.m.

Respectfully submitted,
Becky Luntsford, Assistant Corporate Secretary