

Minutes
UWF Board of Trustees
Institute for Human and Machine Cognition
August 23, 2002

Chair Collier Merrill called the meeting of the University of West Florida Board of Trustees to order at 8:35 a.m. Trustees present were:

Honor Bell
Pam Bilbrey
Travis Bowden
K.C. Clark
Carol Dover
Lornetta Epps
Sharon Hess Herrick
Charles Horner
Collier Merrill
JoAnn Morgan
Eddie Phillips
Roy Smith

Representatives from Bank of America presented the university with a check for \$200,000, which was UWF's share of a \$2 million gift (including a \$1 million state match) that Bank of America presented to the State University System under the former Board of Regents. Representing Bank of America were Jim Mitchell, Karen Brown, Deedee Rudd, Joe Miller, Michelle Braun, Obdulio Piedra and Gene Chapman. Accepting the check on behalf of the university, the Board of Trustees and the Foundation Board were President John C. Cavanaugh, BOT Chair Merrill and Trustee K.C. Clark.

Chair's greetings

Chair Merrill reported that the trip to Tallahassee with President Cavanaugh, Janice Gilley and Keith Goldschmidt on September 16-17 was a success in that they were able to meet with the Secretary of State's staff regarding funding the deferred maintenance of the downtown historic properties. They also visited with the governor and representatives from the Florida Board of Education and the Division of Colleges and Universities.

He invited trustees to the October 10 groundbreaking for the fieldhouse expansion and reminded them of the October 31 - November 1 workshop with the Association of Governing Boards.

President's greetings

President Cavanaugh reported that student enrollment has increased, but the downturn in the economy has slowed the growth from last year. This year, the university is finding that more people cannot attend because of finances.

The university is engaged in several searches: vice president for Student Affairs, which has begun; the vice president for Development, which should be completed by the end of the year; and the dean for the College of Arts and Sciences.

The BOT conference call for September 13 is cancelled.

- Some of the things President Cavanaugh said he has discovered at UWF are: There is a strong sense of community. This is a place where students receive a wonderful education and receive personal attention, which need to be kept in mind when planning for growth.
- A number of academic programs are very, very good, and some are on the verge of being great.

Regarding the November 5 elections, he said that the class-size amendment has implications that would be dire for the university, mainly because of the cost to implement. The Graham initiative would result in local board of trustees similar to North Carolina, where they do not have much authority. Instead, they are advisory groups. Meanwhile, North Carolina is looking at moving in the direction of what Florida is doing with devolution. The North Carolina General Assembly has created a study group to review the governance structure.

Presentation - UWF athletics

Vice President for Student Affairs Linda Dye gave a presentation on the UWF athletic programs, highlighting the 13 programs and the fact that UWF athletes have a GPA of 2.96, compared to 2.87 for the entire university. The \$2.8 million budget for athletics includes an \$11.10-per-credit-hour fee, the second highest in the state. Any expansion of athletics programs would require private funding, and \$80,000 is the most received in any single year from private giving. Regarding football, student enrollment would need to reach at least 15,000 and community support would have to increase to make it feasible. Also, Title IX conditions would have to be met.

Approval of minutes

Trustee Clark moved and Trustee Phillips seconded approval of the minutes from the August 23, 2002 meeting. It passed unanimously.

Action agenda item 1 - Executive Committee items

Trustee Epps moved with numerous seconds to approve the legislative budget request for local initiations, which had been temporarily adopted by the Executive Committee. The LBR of \$1.265 million passed unanimously.

Trustee Bilbrey moved and Trustee Epps second approval of the financial aid fee and the Alabama tuition fee. They passed unanimously.

Action agenda item 2 - Finance, Administration and Audit Committee items

Trustee Clark moved and Trustee Epps seconded approval of the PECO list to fund capital projects, giving the president the authority to modify the plan, if necessary. It passed unanimously.

Trustee Clark moved and Trustee Phillips seconded approval of the name change from the Inspector General's Office to the Internal Audit and Management Consulting Department (IAMC) and subsequent changes in the charter. The change more accurately reflects the functions of the office. It passed unanimously.

Trustee Clark explained that the Florida Board of Education staff has reviewed the proposed financing for the student housing project. As part of that review, it recommended that \$1 million be taken from reserves on deposit to lower the amount bonded. Trustee Clark moved approval of the change, and Trustee Bilbrey seconded. It passed unanimously.

Discussion item 1 - Rules, policies and procedures

Dr. Cavanaugh reported that the School Code rewrite requires universities to adopt or revise rules, policies and procedures. Betsy Bowers, associate vice president for IAMC, has agreed to help coordinate that effort. The plan is to present a timeline to the BOT at the November 22 meeting.

Discussion item 2 - Board of Trustees development

Dr. Cavanaugh said it was important to make sure the university boards articulate well. He has met with the chairs of the BOT, Foundation Board and the Research Board, and later in the fall there will be a meeting of all board members to discuss how the boards relate to each other and for board members to have a greater understanding of their respective roles.

Gilley informed the Board that the State University System lobbyists met, and one of the discussions was the PECO funding, which was \$855 million this year but is expected to fall to \$355 million next year. The SUS receives about 15 percent of that to construct buildings, and that's expected to drop between \$60 million and \$90 million.

If the class-size amendment passes, there won't be funds for any of the programs, Gilley said. The amendment will break the state's budget, and the Parent-Teacher Association and the School Superintendents are against it.

The Board then discussed whether it should take a position on the amendment and whether there is an avenue to inform the public on the budget ramifications. Most discussion centered on the high cost and no proven benefits for mandating class-size limitations in all grades. There was no opinion expressed to support the amendment

Trustee Bell moved and Trustee Smith seconded a motion for the BOT to officially oppose the class-size amendment and to direct Goldschmidt to draft a position statement for review. It passed unanimously.

Trustee Clark moved and Trustee Bilbrey seconded that the BOT oppose the Graham Amendment. The discussion centered on the merits of having a local board, whose contributions have been seen as a very positive step forward. Since the boards have not yet received their full powers, the board discussed the disadvantage to beginning another new structure before this governance had opportunity to prove itself.

The motion passed unanimously along with a direction for Goldschmidt to draft a position statement for Board review.

Faculty Senate report

Dr. Klaus Meyer-Arendt reported that it was a quiet summer, though the Graham initiative has been the topic of conversation. He invited the Board to a debate between proponents and opponents of the measure at a September 16 forum.

Discussion Item 3 - Institute for Human and Machine Cognition

Dr. Ken Ford, director of the Institute for Human and Machine Cognition, gave a presentation highlighting the awards and honors received by IHMC researchers and faculty. He also gave a PowerPoint presentation on some of the IHMC projects. Upon questioning by the trustees regarding the relationship with UWF, Dr. Ford said that IHMC's budget had no impact on UWF because the funding is not shared. Many UWF faculty do research at the Institute under a collaborative arrangement.

Several trustees said that there needs to be stronger interface between the Institute and the rest of UWF, especially since the Institute should be an enhancement of the university, and other faculty should feel that it is their Institute. Trustees reported there is a perceived lack of collaboration between IHMC and the rest of UWF, but Dr. Ford said the reticence has not been because of IHMC.

The movement to make IHMC a direct support organization should help some of the misperceptions concerning funding because IHMC's grants and contracts will be separated from other university funds, President Cavanaugh said. The same is true for intellectual property rights. It also will help in budget planning.

The following agreement between the UWF Board of Trustees and IHMC was presented to the Board. Trustee Phillips moved and Trustee Clark seconded the adoption of the agreement. It passed unanimously.

AGREEMENT BETWEEN
UNIVERSITY OF WEST FLORIDA BOARD OF TRUSTEES
AND
THE INSTITUTE FOR HUMAN AND MACHINE COGNITION OF THE
UNIVERSITY OF WEST FLORIDA

THIS AGREEMENT is made this 23rd day of August, 2002, by and between The University of West Florida Board of Trustees ("University") and The Institute for Human and Machine Cognition, ("Institute").

RECITALS

A. The University of West Florida is an institution in the State University System of Florida governed by the University Board of Trustees, a public body corporate.

B. The Institute is a University center of national reputation, which has been organized for the purposes of achieving research prominence and engaging in research functions which promote and encourage the research activities of the University's faculty, staff and students. The Institute also produces inventions and copyrightable materials which are developed, patented, applied and utilized in order that the results of research shall be made available to the public and that funds be made available from inventions and copyrightable materials to support education and research at the Institute.

C. The University and the Institute desire to enter into this Agreement to memorialize the agreement of the parties regarding the current operational structure of the institute, the future direction the University and Institute desire to advance, and the interim

reporting relationship and financial expectations of the parties during this transitional period.

THE AGREEMENT

In consideration of the foregoing recitals and the promises hereinafter made and exchanged, the University and the Institute agree as follows:

1) Authorization. The University Board of Trustees resolved at its May meeting that the Institute should report directly to the Board of Trustees and should explore the opportunity to transform itself into a direct support organization with 501(c)(3) status in order to attain its goals and effectuate its purposes in education, and research. The University hereby authorizes the Institute, subject to the terms and conditions of this Agreement, to carry on the functions of the Institute during this transitional period while the Institute strives to achieve 501(c)(3) status; provided, the University Board of Trustees shall have the right to monitor, direct, and control the Institute's operations and use of university resources and the university name during this transitional period. The Board of Trustees has the authority at all times to revisit this agreement when the Institute begins operating as a direct support organization of the University or when the Board of Trustees determines that insufficient progress has been made by the Institute in achieving these goals.

2) Institute's Responsibilities.

a) The Institute shall continue to actively propose and accept grants and contracts for conducting basic and applied research that benefits the educational and scientific research opportunities for students, faculty and staff at the University of West Florida. The Institute may enter into agreements separate and apart from this agreement whereby University faculty, staff and students are engaged in performing the required activities pursuant to terms set forth in the contracts and grants.

b) Commercialization of Intellectual Property. The University and the Institute may enter into agreements separate and apart from this agreement whereby the Institute is granted rights and responsibilities for the development, protection, and/or commercial application of defined and selected intellectual property, in consideration of royalties and/or license fees and/or other revenue to be dedicated to the benefit of the Institute and to be shared in accordance with the terms of the revenue allocation agreement with the inventor/author and the University. The Institute shall diligently and faithfully perform its obligations under such agreements.

c) Administration of Funds. All indirect cost amounts currently due or scheduled to be received by the sponsored research grant and contract activities of IHMC shall be

deposited into a separate account ("IHMC Seed Account") to be held and administered by IHMC for the operation and administration of contract and grant activities, including but not limited to the payment of operational costs including rent, internet access, telephone services and other necessary expenses. From sponsored research indirect cost funds generated by IHMC, UWF is authorized to withhold an administrative fee not to exceed 20%. IHMC shall assume responsibility for payment of all obligations incurred in its operation.

d) Any cooperative arrangement or partnership involving intellectual property and distribution of indirect costs shall be negotiated as they arise.

3) Financial Reporting. During this period of transition, the Institute agrees that it will furnish the following reports to the University Board of Trustees.

a) Fiscal Operations. An annual report setting forth operating revenues and expenses for the prior fiscal year. The Institute will provide such details as may be required by the University Board of Trustees. The annual report shall be subject to the approval of the University Board of Trustees.

b) Fiscal Information. Any other fiscal information as may be required by the Board of Trustees.

4) Notices. For the purposes of this Agreement notice shall be in writing and shall be given by the United States registered or certified mail or by messenger delivery, in the case of the University to:

J. Collier Merrill
Chairman, University Board of Trustees
University of West Florida
11000 University Parkway
Pensacola, FL 32514

President John C. Cavanaugh
Corporate Secretary, University Board of Trustees
University of West Florida
11000 University Parkway
Pensacola, FL 32514

and in the case of the Institute to:

Dr. Kenneth M. Ford
Director, Institute for Human and Machine Cognition.

40 South Alcaniz Street
Pensacola, FL 32501

5) Modification: Operating Addenda. This Agreement is not subject to modification or amendment except in writing signed by the authorized representatives of the University and the Institute. The Institute and the University may from time to time enter into Operating Addenda concerning specific matters or relationships between them. Such Operating Addenda shall be in writing and signed by the duly authorized representatives of the Institute and University. All such Operating Addenda shall be subject to the terms of this Agreement.

6) Term of Agreement and Termination. This Agreement shall begin August 23, 2002 and continue as a transitional means of operation until such time as the institute becomes a direct support organization of the University.

J. Collier Merrill Dr. Kenneth Ford
Chairman Director
University Of West Florida Institute Of Human and
Board of Trustees Machine Cognition

-----end of agreement-----

Presentation 1 - Library

Dr. Grady Morein, director of University Libraries, gave a presentation on university services provided for students, faculty and staff and how trustees can access those services.

Presentation 2 - Police Department

UWF Police Chief Ronald Seacrist provided an overview of the department, explaining a change in philosophy in that his department will be more service oriented, be more a resource than an enforcement tool and that his department is part of the educational process of a university.

The meeting adjourned at 11:52 a.m.