

Agenda
UWF Board of Trustees
Finance, Administration and Audit Committee
Institute for Human and Machine Cognition
North lower conference room
1 p.m., June 19, 2003

Call to order

Approval of minutes of February 21, 2003 meeting

Action items

1. Internal Audit & Management Consulting (IAMC) two-year work plan
2. IAMC charter
3. External audit recommendations for athletics & WUWF
4. ERP lease purchase structure
5. UWF Budget approval (Wooten)
6. FY03/04 -08/09 Five Year Fixed Capital Outlay Plan
7. Rules to establish tuition rates, fees, fines and penalties
- 7 – A. Nonrefundable admissions deposit
8. Naming of UWF baseball field
9. Delegation of authority to president to settle lawsuits

Discussion item

1. Naming opportunities – guidelines on level of giving

Other business

Adjournment

Agenda item: 1

UWF Board of Trustees
Finance, Administration and Audit Committee
June 19, 2003

Issue: 2003/04-2004/05 Work Plan for Internal Auditing and Management Consulting department

Proposed action: Approve

Background Information:

To comply with the Institute of Internal Auditing Standards, the UWF Finance, Administration and Audit Committee should review and approve this work plan. The Internal Auditing & Management Consulting department's two-year work plan was developed using risk assessment as an integral component.

A significant event impacting the number of audits being performed for this work period is the ERP. With UWF implementing a new finance and human resources system, significant time from IAMC will be devoted to this process by serving as advisors on each module within the two systems. Accordingly, through discussion with the president, Finance, Administration and Audit committee chair, and senior administration, it was agreed that approximately 60-75% of the internal audit work effort would be devoted to the ERP project.

Attached is the proposed work program for the Internal Auditing & Management Consulting department for the next two-year period. This work plan is a living document, which may be revisited at any point during the two-year period, and modified accordingly.

Supporting documentation:

Exhibit A—Proposed Work Plan for 2003/04-2004/05

Exhibit B---Proposed Work Plan by Employee

Prepared by: J. Betsy Bowers
(850) 474-2637
jbowers@uwf.edu

Agenda item: 2

UWF Board of Trustees
Finance, Administration and Audit Committee
June 19, 2003

Issue: Charter for Internal Auditing and Management Consulting department

Proposed action: Approve the revised internal auditing charter.

Background Information:

As part of the devolution process and revision of the Institute of Internal Auditing {IIA} Standards, it became necessary to revise and update the department's internal auditing charter. To comply with these standards, the UWF Finance, Administration and Audit Committee should review and approve this charter.

Changes made to the internal audit charter are as follow:

- Removal of language referencing Florida Statute 20.055 (Inspector General's Act).
- Incorporation of access to records of direct support organizations and instrumentalities of the state [for operational purposes, not to conduct financial audits of these entities].
- Incorporation of reference to the Florida Whistle Blower statute [Sections 112.3187-112.31895, Florida Statutes] identifying IAMC as the department to contact to report such allegations.
- Incorporation of verbiage consistent with the revised IIA standards

Supporting documentation: Proposed Internal Auditing & Management Consulting Charter

Prepared by: J. Betsy Bowers
(850) 474-2637
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University of West Florida
Internal Auditing and Management Consulting
Charter

Introduction

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal Auditing and Management Consulting (IAMC) at the University of West Florida administers the internal audit program for the University with the objectives to assist members of the University and the Board of Trustees in the effective discharge of their responsibilities. To this end, the IAMC furnishes

them with analyses, appraisals, recommendations, counsel, and information concerning the activities and organizations reviewed.

Mission

IAMC serves the University of West Florida and its support organizations, including its direct support organizations and instrumentalities of the state (IHMC). It provides a central point for coordination of an oversight for activities that promote accountability, integrity, efficiency, and compliance.

Organization, Independence, Authority

The university president appoints the associate vice president IAMC to administer a comprehensive internal auditing program for UWF. IAMC is a critical component of UWF's governance and accountability structure. The associate vice president, IAMC will report functionally to the UWF Finance, Administration and Audit Committee of the Board of Trustees and administratively to the university president pursuant to the Institute of Internal Auditors Practice Advisory 1110-1 "Organizational Independence" to ensure departmental independence, promote comprehensive audit coverage and ensure adequate consideration of audit/consulting recommendations.

In performing its function, the IAMC has no direct responsibility or authority over any of the activities it reviews. Therefore, the audit, review and appraisal do not relieve other persons in the university of the responsibilities assigned to them. IAMC is authorized full and unrestricted access to all areas and information sources necessary to carry out its activities. Documents and information provided to IAMC staff during an engagement are handled in the same prudent manner as by those employees normally accountable for them.

Professional Standards

IAMC staff members have a responsibility to the interest of those they serve and should refrain from entering into any activity that may create a conflict of interest. They have an obligation of self-discipline above and beyond the requirements of laws and regulations. They should uphold and demonstrate qualities of integrity, honesty, loyalty, morality, dignity, and confidentiality consistent with the Institute of Internal Auditors Code of Ethics. The Institute's Standards for the Professional Practice of Internal Auditing shall constitute the operating procedures for IAMC.

Duties and Responsibilities

(a) Conduct and coordinate audits, investigations and management reviews relating to the programs and operations of the university and its support organizations.

(b) Conduct, supervise, or coordinate other activities carried out or financed by the university for the purpose of promoting economy and efficiency in the administration of, or preventing and detecting fraud and abuse in, its programs and operations.

(c) Receive complaints and coordinate all activities of the University as required by the Whistle-blower's Act pursuant to Sections 112.3187-112.31895, Florida Statutes.

(d) Receive and consider complaints that do not meet the criteria for an investigation under the Whistle-blower's Act and conduct, supervise, or coordinate such inquiries, investigations, or reviews as appropriate.

(e) Evaluate the governance processes used by the University's Board of Trustees to provide oversight of risk and control processes administered by management.

(f) Participate in the planning, design and implementation of major information systems to ensure the systems are properly tested, secured, documented and implemented to meet user requirements.

(g) Keep the University president, management and the audit committee for the University's Board of Trustees informed concerning fraud, abuses, and internal control deficiencies relating to programs and operations, initiate corrective actions, and report on the progress made in implementing corrective actions.

(h) Ensure effective coordination and cooperation between the Auditor General, federal auditors and other governmental bodies and external auditors with a view toward avoiding duplication.

(i) Review, as appropriate, rules and procedures relating to the programs and operations of the university and make recommendations concerning their impact.

In the performance of these services, IAMC will ensure that an appropriate balance is maintained between audit, investigative, and other activities. IAMC is responsible for performing audit work with due professional care, including having the appropriate education certification, experience, professionalism, personal integrity and attitude of service, while producing relevant, timely and quality work.

J. Betsy Bowers, Associate Vice President

John Cavanaugh, President
K. C. Clark, Chair
BOT Finance, Administration and Audit Committee

APPROVED DATE:

Agenda item: 3

UWF Board of Trustees
Finance, Administration and Audit Committee
June 19, 2003

Issue: External audit recommendations for WUWF and UWF Intercollegiate Athletics

Proposed action: Accept recommendation of evaluation committee

Background information:

The governing bodies for UWF's radio station (Corporation for Public Broadcasting) and intercollegiate athletics (NCAA) require an external audit to be performed annually of their programs. Accordingly, to maximize services and potential cost savings, request for bids for both audits were sought from area CPA firms. A single proposal was preferred as it was anticipated we would receive a better value if one firm performed all of these audits due to economies of scale and the elimination of duplicated effort. However, an audit firm was free to submit a proposal for any particular audit or combination of audits. An option to renew the contract for two additional years was part of the Request for Proposal.

An evaluation committee of three (associate VP Internal Auditing & Management Consulting [IAMC}, manager IAMC and Assistant Controller) will present its recommendation to the UWF Board of Trustees Finance, Administration and Audit committee.

Proposals were accepted from accounting firms certified by the State of Florida, with at least two years experience in governmental auditing. Preference may be granted to firms with college or university entity audit experience. The presentation of the annual financial statements, the independent auditor's report, the annual financial report and other reports must be in accordance with the following: GAGAS, GAAP, and specific instructions (e.g., CPB, NCAA, etc.)

Supporting documentation: None

Prepared by: J. Betsy Bowers
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Agenda item: 4

UWF Board of Trustees
Finance, Administration and Audit Committee
June 19, 2003

Issue: Lease Purchase Agreement – Enterprise Resource Planning System

Proposed action: Approve \$3.7 million lease purchase agreement between the University of West Florida and the University of West Florida Foundation for a period of five-years (60 months) at a rate of 2.44% in order to meet UWF's financial plan for the implementation of the Enterprise Resource Planning System

Background information:

Due to the changes in higher education governance in Florida that resulted in UWF's new status as a public corporation, the university will be required to manage its finances and payroll directly, rather than having its funds maintained in the state treasury. As part of this transition, UWF is required to obtain and implement its own information processing systems to perform these essential financial operations and processes.

Florida Statutes, section 1011.4105, required state universities to submit by March 3, 2003, a transition plan to the State Board of Education for approval. This plan was to be developed in cooperation with the state comptroller, who required submission of UWF's proposed transition plan on January 2, 2003. In order to meet this deadline, UWF submitted an initial transition plan. The UWF Board of Trustees approved the transition plan and related financial plans on January 6, 2003. The time-line plan was approved by Mr. Tom Gallagher, Florida's Chief Financial Officer, on February 25, 2003.

A study team, called the UWF ERP Project Vision Team, was created to study the issue. It recommended the acquisition and implementation of the SCT Banner enterprise resource planning system. Initial acquisition and implementation of the system will cost \$5.7 million during the three-year project. Operational costs will average \$1.2 million per year, bringing the total cost of the system to \$10.4 million during the first five years.

Live processing of the 2004-05 fiscal year would begin July 1, 2004. Live payroll processing would be effective January 2, 2005.

The financing arrangement has been structured as a lease-purchase program for the capital portion of the system. School Boards throughout the State of Florida have used this lease-purchase mechanism for many years to address capital needs. The University of West Florida Foundation will serve as the lessor under the lease purchase program. The Foundation will serve as a financing vehicle in much the same way as it has provided the University the conduit to finance the student housing system.

Miller Canfield Paddock and Stone, P.L.C., will render an opinion that the interest portion of the rental payments made by the Board will be tax exempt in the hands of the holders and that the lease-purchase certificates will constitute bank-qualified obligations.

It is expected that the closing on the financing will occur shortly after the resolutions are adopted by the respective Boards.

Supporting documentation: 1) ERP Project Budget
2) Bank of Pensacola Proposal and Amortization Schedule
3) Competitive Tax Exempt Financing Proposal Rates
4) Resolution – Lease Purchase Agreement Between
the University of West Florida and the University of West Florida Foundation

Prepared by: Dr. Cornelius Wooten
Vice president for Administrative Affairs
850-474-2209

A. Acquisition and Implementation Funding

The five-year budget for implementation and operation of the SCT Banner system totals \$10.4 million. A summarized breakdown of costs per fiscal year is shown in the following table:

Component	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	5-Year Total
Software Licensing	800,800	197,200	- - -	998,000		
Software Maintenance	86,320	235,846	255,070	276,471	300,339	1,154,046
Implementation Services	606,894	1,298,338	1,192,788	508,894	-	3,606,914
System Hosting	191,100	208,100	308,100	326,000	339,125	1,372,425
Personnel	146,987	390,064	532,976	352,452	352,452	1,774,931
Other	116,430	563,083	524,223	287,937	91,632	1,583,305

Total Budget:
1,948,531
2,892,631
2,813,157
1,751,754
1,083,548
10,489,621

Funding for the software, implementation, support, and operation costs of the new system is obtained from state funds.

(The following imbedded adobe file is the Bank of Pensacola Proposal and Amortization Schedule. Simply double click on it to open it.)

ERP Tax-Exempt Financing Proposals

Firm

Name Valid

Until Bond Counsel

Costs Nominal Rate

36 mo. Nominal Rate

48 mo. Nominal Rate

60 mo.

B. B.O.P 5/1/03 No Charge 1.61% 2.00% 2.44%

C. SunTrust 4/30/03 \$5,000 1.98% 2.32% 2.61%

B.O.A Not Given \$5,500 B.O.A.

\$2,500 U.W.F. 2.06% 2.29% 2.5%

D. C & P 4/5/03 \$5,000 2.80% 3.047% 3.45%

KOCH Not Given No Charge 3.46% 3.67% 3.86%

A.C.G. Not Given No Charge 3.80% 4.05% 4.15%

Baruch 4/7/03 \$500 escrow 3.54% 3.64% 3.78%

*Financing proposed is secured by software/equipment via Lease Purchase.

RESOLUTION 2003 - 6

A RESOLUTION APPROVING A LEASE PURCHASE AGREEMENT BETWEEN THE UNIVERSITY OF WEST FLORIDA BOARD OF TRUSTEES, AND THE UNIVERSITY OF WEST FLORIDA FOUNDATION, INC.; AUTHORIZING THE CONSTRUCTION AND EQUIPPING OF CERTAIN CAPITAL PROJECTS PURSUANT TO A LEASE PURCHASE AGREEMENT; APPROVING THE TERMS OF A TRUST AGREEMENT AND SUPPLEMENTAL TRUST AGREEMENT; AUTHORIZING THE TRUSTEE TO EXECUTE NOT IN EXCESS OF \$3,700,000 PRINCIPAL AMOUNT OF SERIES 2003 CERTIFICATES OF PARTICIPATION EVIDENCING UNDIVIDED PROPORTIONATE INTERESTS IN THE PAYMENTS TO BE MADE BY THE BOARD UNDER THE LEASE PURCHASE AGREEMENT, IN ORDER TO PROVIDE LEASE PURCHASE FINANCING OF THE 2003 PROJECT; APPROVING TERMS OF THE SALE AND AWARD OF THE SERIES 2003 CERTIFICATES OF PARTICIPATION; DESIGNATING THE TRUSTEE IN CONNECTION WITH THE SERIES 2003 CERTIFICATES OF PARTICIPATION; FINDING THAT SUCH PROGRAM WILL PROVIDE THE LOWEST COST OF FUNDING AVAILABLE AND THAT THE PROCEEDS THEREBY CONTEMPLATED WILL BEST SERVE THE PUBLIC INTEREST; AWARDING SALE OF THE SERIES 2003 CERTIFICATES OF PARTICIPATION TO THE BANK OF PENSACOLA; APPROVING CERTAIN OTHER AGREEMENTS AND COVENANTS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE UNIVERSITY OF WEST FLORIDA BOARD OF TRUSTEES:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the Constitution and laws of the State of Florida, including particularly Sections 1001.74, 1013.15 and 1013.171, Florida Statutes, and other applicable provisions of law.

SECTION 2. DEFINITIONS. Unless the context otherwise requires, the capitalized terms used in this Resolution shall have the same meanings as in the Definitions Exhibit attached to the Lease Purchase Agreement annexed hereto as Exhibit "A" and by reference made a part hereof;

"Authorized Officer," with respect to the Board shall mean the Chairman or the Vice Chairman of the Board and the President of the University or his designee, and, with respect to the Foundation, shall mean the President of the Foundation or his designee.

"Bank" shall mean The Bank of Pensacola, Pensacola, Florida, in its capacity of purchaser of the Series 2003 Certificates of Participation.

"Foundation" shall mean The University of West Florida Foundation, Inc.

"Series 2003 Certificates of Participation" shall mean the Certificates of Participation, Series 2003 Evidencing an Undivided Proportionate Interest of the Owners thereof in Basic Rent Payments to be made by the University of West Florida Board of Trustees, as Lessee, pursuant to a Master Lease-Purchase Agreement with the University of West Florida Foundation, Inc., as Lessor

"Trustee" shall mean The Bank of Pensacola, Pensacola, Florida, in its capacity of Trustee.

"University" shall mean The University of West Florida, a public post-secondary educational institution of the State University System of Florida.

SECTION 3. FINDINGS. It is hereby ascertained, found, determined and declared by the University of West Florida Board of Trustees (the "Board") that:

(a) The Board is authorized and empowered by the Act to enter into transactions such as that contemplated by the Lease Purchase Agreement, the Trust Agreement, Series 2003 Supplemental Trust Agreement, Assignment Agreement and the Ground Lease (all such instruments herein referred to collectively as the "Certificate Documents"), and to fully perform its obligations thereunder in order to acquire educational facilities, and commodities and services constituting capital projects for use by the Board.

(b) The execution and delivery of the Lease Purchase Agreement by the Board and the execution and delivery of the Ground Lease by the Board, and the issuance of the Series 2003 Certificates of Participation pursuant to the Trust Agreement and Series 2003 Supplemental Trust Agreement (collectively, the "Trust Agreement") to accomplish the lease purchase financing of the 2003 Project will comply with all of the provisions of the Act.

(c) The Board hereby approves the Foundation, which is a direct support organization of the University, and approves the members of the Foundation, acknowledges the purposes and

activities of the Foundation and approves same, including without limitation, the entering into by the Foundation of the Trust Agreement, the Assignment Agreement, the Ground Lease, and the Lease Purchase Agreement.

(d) The University, on behalf of the Board, has solicited and accepted competitive bids for the financing represented by the Series 2003 Certificates of Participation and for the purchase of the 2003 Project. The Board has received the disclosure required by Section 218.385, Florida Statutes. Based on the recommendation of the University, the financing described in the Series 2003 Supplemental Trust Agreement and the Schedule 2003-1 to the Lease Purchase Agreement (the "2003 Schedule") provides the lowest cost lease purchase financing available, and the execution and delivery of all of the Certificate Documents will best serve the public interest.

SECTION 4. AUTHORIZATION OF 2003 PROJECT. There is hereby authorized the acquisition, installation and implementation of the 2003 Project, pursuant to the provisions of the Ground Lease and the Lease Purchase Agreement. The Project Cost of such 2003 Project shall include all costs and expenses of every nature incurred in the completion of the 2003 Project, as provided in the Lease Purchase Agreement.

SECTION 5. TRUSTEE. The Bank of Pensacola, in its capacity of trustee, is hereby appointed as Trustee in connection with the Series 2003 Certificates of Participation.

SECTION 6. APPROVAL OF LEASE PURCHASE AGREEMENT. The Lease Purchase Agreement (in substantially the form annexed hereto as Exhibit "A" and incorporated herein by reference, with such changes as may be approved by the officers executing the same, such approval to be conclusively presumed by their execution thereof) is hereby approved. The Board is hereby authorized to enter into the Lease Purchase Agreement for the lease purchase of the educational facilities described therein as Projects. The Basic Rent Payments to be paid under the Lease Purchase Agreement shall be in such periodic amounts, each comprised of an Interest Portion and a Principal Portion and in an aggregate Principal Portion not exceeding the amount set forth in the title hereof, all as set forth in the 2003 Schedule.

SECTION 7. TRUST AGREEMENT; SERIES 2003 CERTIFICATES OF PARTICIPATION AUTHORIZED. The Trust Agreement and Series 2003 Supplemental Trust Agreement (collectively, the "Trust Agreement"), in substantially the forms annexed hereto as Exhibit "B-1" and as Exhibit "B-2," respectively, and incorporated herein by reference, with such changes as may be approved by the officers executing the same, such approval to be conclusively presumed by their execution thereof, and the issuance of the principal amount of Series 2003 Certificates of Participation set forth in the title hereof by the Trustee pursuant thereto, are hereby approved by the Board. The Board is hereby authorized to evidence its approval and agreement to comply with the terms applicable to the Board by execution of the Trust Agreement, and the appropriate Authorized Officers of the Board are hereby directed to execute such approval of the Trust Agreement on behalf of the Board in the manner provided by law. The Series 2003 Certificates of Participation, authorized and approved herein shall have the maturities, interest rates, payment dates, redemption provisions and other terms as described in the Series 2003 Supplemental Trust Agreement and the 2003 Schedule.

SECTION 8. GROUND LEASE AGREEMENT AUTHORIZED. The Ground Lease Agreement (the "Ground Lease"), in substantially the form annexed hereto as Exhibit "C" and incorporated herein by reference, with such changes as may be approved by the officers executing the same, such approval to be conclusively presumed by their execution thereof, is approved.

SECTION 9. ASSIGNMENT OF LEASES. The Board hereby acknowledges and consents to the assignment by the Foundation to the Trustee of all of its rights, title and interest in and to the Lease Purchase Agreement and its leasehold estate under the Ground Lease by execution and delivery of the Assignment Agreement, in substantially the form annexed hereto as Exhibit "D" and incorporated herein by reference, with such changes as may be approved by the officers executing the same, such approval to be conclusively presumed by their execution thereof.

SECTION 10. PURCHASE OFFER APPROVED. The offer of the Bank to purchase the Series 2003 Certificates of Participation as further described in the 2003 Schedule at the price of par, is hereby approved and accepted by the Board. Not in excess of the principal amount of the Series 2003 Certificates of Participation are hereby awarded and sold to the Bank upon the terms and conditions set forth in the Series 2003 Supplemental Trust Indenture and the 2003 Schedule. The exact principal amount of Series 2003 Certificates hereby awarded shall be set forth in the final forms of Supplemental Trust Indenture and 2003 Schedule and shall be conclusively established by the execution of such documents by the officers executing the same.

SECTION 11. RECEIPT OF DISCLOSURES; PAYMENT OF COSTS OF ISSUANCE. The Board and the Foundation have received the disclosures required pursuant to Section 218.385, Florida Statutes, and have been advised of the Board's Costs of Issuance, and payment of same by the Trustee to be made from the Proceeds of the Series 2003 Certificates of Participation is hereby approved, authorized and directed.

SECTION 12. LEASE PURCHASE RENT. The Board has been advised that the Lease Purchase Rent results in an implicit interest rate to the Board of 2.44% for purposes of the Act, and the Board determines that the Lease Purchase Rent is in the best public interest.

SECTION 13. AUTHORIZATION OF ALL NECESSARY ACTION. The Authorized Officers, University Counsel and Miller, Canfield, Paddock and Stone, P.L.C., Special Counsel for the Board, are each designated agents of the Board in connection with the issuance and delivery of the Series 2003 Certificates of Participation, and are authorized and empowered, collectively and individually, to take all action and steps to execute and deliver the Trust Agreement, the Lease Purchase Agreement, the Ground Lease, the Series 2003 Supplemental Trust Agreement, and any and all instruments, documents or contracts on behalf of the Board which are necessary or desirable in connection with the execution and delivery of the Series 2003 Certificates of Participation and which are not inconsistent with the terms and provisions of this Resolution and other actions relating to the Series 2003 Certificates of Participation heretofore taken by the Board. The Authorized Officers of the Board are authorized to execute such assents, acceptances, assignments, financing statements and approvals as the Board and its Special Counsel may deem necessary for the Board to finance the 2003 Project in the manner contemplated by the Ground Lease, the Lease Purchase Agreement and the Trust Agreement.

SECTION 14. DESIGNATION AS BANK QUALIFIED. The Board hereby designates the Series 2003 Certificates of Participation for purposes of paragraph (3) of Section 265(b) of the Internal Revenue Code of 1986, as amended (the "Code"), and covenants that the Series 2003 Certificates of Participation do not constitute a private activity bond as defined in Section 141 of the Code, and that not more than \$10,000,000 aggregate principal amount of obligations the interest on which is excludable (under Section 103(a) of the Code) from gross income for federal income taxes (excluding, however, private activity bonds, as defined in Section 141 of the Code, other than qualified 501(c)(3) bonds as defined in Section 145 of the Code), including the Series 2003 Certificates of Participation, have been or shall be issued by the Board including all subordinate entities of the Board, during the calendar year of 2003.

SECTION 15. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions contained in this Resolution, the Lease Purchase Agreement, the Trust Agreement or the Ground Lease or any other document or agreement hereby authorized shall be held contrary to any express provision of law, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof or of the Lease Purchase Agreement, the Trust Agreement or the Ground Lease or any other document or agreement hereby authorized.

SECTION 16. REPEALING CLAUSE. All resolutions, or parts thereof, or other official actions of the Board in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

SECTION 17. EFFECTIVE DATE. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED by the University of West Florida Board of Trustees, at a duly called meeting on May _____, 2003, at which meeting a quorum was present throughout.

UNIVERSITY OF WEST FLORIDA
BOARD OF TRUSTEES

(SEAL)

By: _____
Chairman

ATTEST:

President

Passed and adopted by the Board of Directors of The University of West Florida Foundation, Inc.
THE UNIVERSITY OF WEST FLORIDA
FOUNDATION, INC.

(SEAL) By: _____
President

Attest

By: _____
Secretary

Agenda item: 5

UWF Board of Trustees
Finance, Administration and Audit Committee
June 19-20, 2003

Issue: Tentative Operating Budget 2003-04 and Related Releases

Proposed actions:

1. Approve a tentative (beginning) 2003-04 Operating Budget for the July 1, 2003 to June 30, 2004 fiscal year for appropriated and non-appropriated funds.

Appropriated funds are funds/budgets in the Appropriations Bill.
Educational and General (E&G)

Non-Appropriated funds are funds/budgets not in the Appropriations Bill but approved by consultation with legislative staff per statutory provision.

Auxiliary Trust Fund
Contract and Grants (C&G)
Local Fund Accounts

2. Authorize the president to make subsequent changes to the budget as needed, including the changes between the tentative budget and the budget to be submitted to FBOE by August 15, and other changes during the fiscal year.

Background information:

The 2003-04 Operating Budget is due to FBOE-DCU on August 15, 2003, which is the month that has been the normal date for submission. In the past, the BOR (now the FBOE-DCU) approved budgets at its September meetings, and its staff effected releases for the universities throughout the year. However, this year the universities must provide documentation of an approved budget by the BOT's to the State Comptroller's Office before July 1, for the State Comptroller's Office to make cash and budget releases to the universities.

Release is the authority to spend appropriated funds and self-generated funds in the State Treasury. E&G funds are released periodically, primarily in relation to state revenue collections during the year.

Auxiliary Trust and C&G funds in the state treasury are normally 100% released at the beginning of the year. Local fund accounts (funds in bank accounts) are 100% approved for expenditure at the beginning of the year. The university may spend these funds according to the availability of cash.

The university will use the BOT approved tentative budget to develop a schedule of releases by budget entity, fund, and budget expenditure category for the state comptroller or for FBOE-DCU — whichever administrative entity will ultimately effect releases for the university — as we

move into this transition period regarding budgets. Releases will be for the period to be covered by each release, such as quarterly. The university will change releases as needed, depending on expenditure needs by fund and budget category.

Transfer, Investment, and Debt Service—referred to as non-operating budget and releases—will be needed in certain budget entities.

University operating funds are in the State Treasury (i.e. E&G, Auxiliary Trust Funds, C&G) or in local bank accounts (i.e. Local Fund Accounts).

Supporting documentation:

Attachment I Tentative 2003-04 operating budgets requested for approval

Attachment II Definition of budget entities

Attachment III Five year expenditure summary

Prepared by: Gloria Resmondo

Attachment I

University of West Florida
Summary of Estimated Budgets
2003 – 2004

Amount Percentage

Educational and General (E&G) \$ 75,189,293 46.67%

Auxiliary Trust Fund 16,136,644 10.01%

Contract and Grants (C&G) 31,030,740 19.26%

Local Fund Accounts 38,770,159 24.06%

Total \$161,126,836 100.00%

The University of West Florida
Education and General (E&G)
2003-2004 Estimated Budget

Amount Percentage

Estimated Resources

General Revenue \$ 52,395,039 69.69%

Educational Enhancement 2,753,753 3.66%

Student Fee Trust Fund 19,897,410 26.46%

Major Gifts 143,091 0.19%

Total Estimated Resources \$ 75,189,293 100.00%

Estimated Usage

Salaries \$ 57,143,862 76.00%

Operating Expenses 8,588,369 11.43%

Plant Operations and Maintenance 8,815,768 11.72%

Financial Aid 498,203 0.66%

Major Gifts 143,091 0.19%

Total Estimated Usage \$ 75,189,293 100.00%

The University of West Florida

Auxiliary Trust Fund

2003-2004 Estimated Budget

Amount Percentage

Estimated Resources

Sales/Fees/Miscellaneous Receipts \$ 16,136,644 100.00%

Estimated Usage

Housing Operations \$ 4,122,690 25.55%

Printing & Duplicating 604,494 3.74%

Postal Services 336,791 2.09%

Student Health Services 654,984 4.06%

Schools for Children 294,962 1.83%

Auxiliary Administration 3,333,022 20.66%

Other Auxiliaries 6,789,701 42.07%

Total Estimated Usage \$ 16,136,644 100.00%

University of West Florida

Contract and Grants (C&G)

2003-2004 Estimated Budget

Amount Percentage

Estimated Resources

Federal Grants \$ 18,500,000 59.62%

Florida State & City 5,394,340 17.38%

Indirect Cost Collections 3,637,200 11.72%

Private Grants 360,000 1.16%

Investment Earnings 136,800 .44%

Other Receipts 3,002,400 9.68%

Total Estimated Resources \$ 31,030,740 100.00%

Estimated Usage

Salaries \$ 7,137,070 23.00%

Temporary Services 5,386,000 17.36%

Operating Expenses 9,545,930 30.76%

Federal Demonstration Project 1,152,290 3.71%

Capital Equipment 528,500 1.70%

Indirect Cost Distributions 2,121,700 6.84%

Interfund Transfers 5,159,250 16.63%

Total Estimated Usage \$ 31,030,740 100.00%

The University of West Florida

Local Fund Accounts

2003-2004 Estimated Budget

Amount Percentage

Estimated Resources

Student Fees \$ 4,993,596 12.88%

Federal Funds 28,224,675 72.80%

Transfer In 2,221,530 5.73%

Other Receipts 3,330,358 8.59%

Total Estimated Resources \$38,770,159 100.00%

Estimated Usage

Student Activity \$ 2,353,483 6.07%

Intercollegiate Athletics 2,246,676 5.80%

Concessions 170,000 0.44%

Student Financial Aid

University Scholarship 10,000,000 25.80%

University Loan Fund 300,000 0.78%

Direct Loan Fund 23,700,000 61.11%

Total Estimated Usage \$38,770,159 100.00%

Attachment II

DEFINITION OF BUDGET ENTITIES

Educational and General (E&G) Budget Entity

E&G funding sources include: General Revenue (primarily Florida's sales tax); the Educational Enhancement Trust Fund (Lottery sales); the Student and Other Fees Trust Fund (student

matriculation and out-of-state fees, and miscellaneous revenues such as library fines, application fees, late registration fees and a portion of the indirect cost assessed to contract and grant activity).

Non-E&G Budget Entities

FBOE and Legislative Budget Policies: operating budgets for these units are approved by the FBOE and Legislative Staff. The FBOE normally considers the budget requests at their September meeting. A formal legislative budget request is not required and there is no legislative appropriation. Universities may request increases in budget authority as needed. If the new year budget requested is more than 12% of the previous year's expenditures, a narrative justification is required.

Auxiliary Trust Fund

Auxiliary Enterprises are self-supporting through fees, payments, and charges.

Contracts and Grants (C&G)

Revenues in this budget entity are generated from Federal, State, and Local government contracts and grants. The University's budget request to the FBOE is for the budget entity as a whole.

Local Fund Accounts:

Student Activity

This budget entity's primary revenue source is Student Government funds collected via the Activity and Service Fee portion of the per credit hour fee (the A&S fee).

Intercollegiate Athletics

Revenues are generated primarily from ticket sales. The students' per-credit-hour athletic fee goes in this budget entity. Also, there is an E&G allocation to support women's athletics.

Concessions (Campus Vending)

This revenue in this budget entity comes from contract commissions from vendors who provide vending machines on campus (primarily Buffalo Rock). Expenditures are primarily for items related to entertainment and programs in furtherance of university business.

Student Financial Aid

This budget entity includes the University Scholarship Fund, University Loan Fund, and the Direct Loan Fund.

Attachment III

The University of West Florida

Five Year Expenditure Summary

2001-2002 2000-2001 1999-2000 1998-1999 1997-1998 1996-1997

Education and General \$ 63,074,721 \$ 62,930,407 \$ 59,931,928 \$ 55,907,594 \$ 53,037,726 \$ 49,755,758

Auxiliaries Enterprises 10,923,455 12,874,381 11,351,508 10,479,124 9,472,333 9,390,938

Contract & Grants	22,283,376	18,454,341	14,949,511	10,514,313	9,817,487	10,522,509
Student Activities	1,707,970	1,570,710	1,247,042	1,136,844	1,158,173	999,769
Intercollegiate Athletics	1,594,472	1,488,105	1,386,204	1,279,816	1,111,598	975,950
Campus Concession	133,148	147,554	144,008	126,421	99,338	118,114
Financial Aid	24,008,152	26,451,813	23,182,735	21,296,920	19,878,003	16,744,747
Expenditures—All Funds	\$123,725,294	\$123,917,311	\$112,192,936	\$100,741,032	\$ 94,574,658	\$ 88,507,785

Notes:

- ? Education and General expenditures include expenditures and encumbrances.
- ? Non-E&G expenditures are cash basis expenditures.
- ? Financial Aid includes Loan Fund, Scholarship Fund, and Direct Loan Fund

Agenda item: 6

UWF Board of Trustees
Finance, Administration and Audit Committee
June 19, 2003

Issue: FY03/04 – 08/09 fixed capital outlay plan

Proposed action: Approve

Background information:

Each year, the university is required to submit a five-year capital outlay plan to the Division of Colleges and Universities. The plan was prepared by the Facilities Planning Committee and approved by the University Planning Council in May.

Funding for these projects comes from the Public Education Capital Outlay fund, which uses revenues generated from taxes on utilities. The Division of Colleges and Universities compiles the lists from each of the universities and colleges and presents it to the governor and Legislature, along with requests from community colleges and public schools. The Legislature then determines which projects are funded.

Supporting documentation: FY03/04 – 08/09 fixed capital outlay plan

Prepared by: Keith Goldschmidt
850-474-2368

Agenda item: 7

UWF Board of Trustees
E. Finance, Administration and Audit Committee
June 19, 2003

Issue: Rules to establish tuition rates, fees, fines and penalties.

Proposed action: 1) Approve emergency rule to establish rates, fees, fines and penalties. 2) Approve the permanent rule to establish rates, fees, fines and penalties.

Background information: The Florida Legislature established base tuition fees by taking the maximum amount permitted to be charged during the 2002-03 academic year and increasing that amount by 8.5 percent. It also authorized university boards of trustees to increase fees up to another 6.5 percent for all but resident, undergraduate students.

The president recommends the following fee increases beginning in the fall, 2004 semester and other fee changes included within the proposed rule.

Annual increase for
Current Proposed full-time student*
Undergraduate matriculation fee \$58.45 \$63.41 \$148.80
Graduate matriculation fee \$140.64 \$170.63 \$719.76
Undergraduate, non-resident fee \$275.45 \$350.10 \$2,239.50**
Graduate, non-resident fee \$426.55 \$542.17 \$2,774.88**

* Based on one-year cost for undergraduate student taking 30 credit hours per year and graduate student taking 24 credit hours per year.

** Non-resident students pay the matriculation fee plus the non-resident fee. Increase reflects only the impact of non-resident fee increase.

Florida Statutes section 120.54(3)(a) requires that the agency head approve the adoption, amendment or repeal of any rules prior to the agency giving notice of the intended action.

The emergency rule allows the university to implement the fees while pursuing the adoption of the permanent rule.

The proposed rule reflects the Board of Trustees authority in establishing tuition, fees, fines and penalties

Supporting documentation: 2003-04 student fee summary with options
Tuition, rates, fees, fines and penalties rule
Prepared by: Gina DeJulio
850- 857-6130

6C6-4.008 Tuition Rates, Fees, Fines, and Penalties.

Beginning Fall Spring 2003, the matriculation fees for resident in-state students and matriculation plus differential cost or out-of-state fee for non-resident students (“Tuition”) at the University shall be as follows:

Undergraduate Level Coursework

Undergraduate Matriculation fee Resident Cost per Student Credit Hour (SCH) \$63.41 \$ 58.45

Undergraduate Alabama Differential out-of–state fee Cost per SCH \$20.00 \$ 15.00

Undergraduate out-of-state fee Non-resident cost per SCH \$350.10 \$361.45

Graduate Level Coursework

Graduate Matriculation fee Resident Cost per SCH \$170.63 \$147.97

Graduate out-of-state fees Non-Resident Cost per SCH \$542.17 \$616.88

Tuition and fees for each student shall be the Tuition plus the applicable mandatory fees below and any optional fees charged by the University:

Mandatory Fees

Student Financial Aid Fee

Undergraduate Resident In-state per SCH \$3.17 \$ 2.78

Undergraduate Non-resident Undergraduate per SCH \$20.67 \$ 15.29

Undergraduate Qualified Alabama resident per SCH \$4.17

Graduate Resident per SCH \$8.63

Graduate Non-resident Graduate per SCH \$35.64 \$ 26.06

Capital Improvement Trust Fund Fee per SCH \$ 2.44

Building Fee per SCH \$ 2.32

Health Fee per SCH \$ 3.00

Athletic Fee per SCH \$11.60\$ 11.10

Activity and Service Fee per SCH \$8.25\$ 7.85

Third Time Repeat Fee (in addition to matriculation fee) per SCH \$164.54 \$ 235.87

Transportation Fee per SCH \$ 1.00

Optional Other Fees

Non-Refundable Application Fee \$30.00 \$ 20.00

Admissions Deposit Fee \$200.00

Orientation Fee \$ 35.00

Identification Card (Nautilus Card)

New Card-Initial Cost \$ 10.00

Replacement Card \$ 15.00 \$ 10.00

Fee for Transcripts \$ 5.00

Fee for Diploma Replacement \$ 10.00 \$ 5.00

Registration Fee for a Zero-Hours Course

Undergraduate same as cost to take 1 credit hour \$87.94

Graduate same as cost to take 1 credit hour \$174.03

Returned Check Fee for Unpaid Checks (NSF)

\$ 0.00 – \$50.00 \$ 25.00

\$50.01 – \$300.00 \$ 30.00

\$300.01 and up greater of 5% or \$ 40.00

Late Payment Fee \$ 50.00

Late Registration or Reinstatement Fee \$ 50.00
Fee for Collection of Overdue Accounts Late Charge 6.00%
Collection Charge 4.00%
Collection Agency 25.00%
Credit Card Convenience Fee when paying Tuition and fees
On line or via telephone cost
Service Charge for Payment of Tuition in Installments \$15.00\$ 0.00
(\$15.00 beginning Fall 2003)
Fingerprinting cost
Intern Photo (including Sales Tax) \$ 5.00
CEU certificates \$ 3.00
Testing cost
Materials and Supplies Fee varies
Student Parking Permits
Annual \$ 20.00
Semester \$ 12.00
Fines and Penalties
Library varies
Traffic *varies

*as provided in the 2002-2003 UWF Traffic Regulations, University of West Florida brochure incorporated into this rule by reference. The brochure may be obtained at the Cashier's Office in building 20E.

Specific Authority 1001.74(4), (11), 1006.66(2) FS. Law Implemented 2003-04 2002-03 General Appropriations Act, HB 27E,1001.74(4),(24) 1001.75(11), (35), 1006.66, 1009.24, 1009.285 FS. History–New 5-18-03.

Agenda item: 7 - A

UWF Board of Trustees
F. Finance, Administration and Audit Committee
June 19, 2003

Issue: Nonrefundable admission deposit

Proposed action: Approve \$200 nonrefundable admission deposit

Background information:

HB 0051A, section 3, amended Florida Statutes 1009.24, section 13, to authorize each university board of trustees to establish a nonrefundable admissions deposit for undergraduate and graduate degree programs in an amount not to exceed \$200. The admissions deposit shall be imposed at the time of an applicant's acceptance to the university and shall be applied toward tuition upon enrollment. In the event the applicant does not enroll in the university, the admissions deposit

shall be deposited in an auxiliary account of the university and used to expand financial assistance, scholarships and student academic and career counseling services at the university.

A university board of trustees that establishes an admissions deposit pursuant to this subsection must also adopt policies that provide for the waiver of such deposit on the basis of financial hardship. The proposed waiver policy will be submitted to the UWF Board of Trustees at a later date.

Supporting documentation: None

Prepared by: Peter Metarko, associate vice president, Enrollment Services.

859-474-3420

Agenda item: 8

UWF Board of Trustees
Finance, Administration and Audit Committee
June 19, 2003

Issue: Naming of UWF Baseball Field as Pelican Park at UWF

Proposed action: Approve

Background information:

In April, Pensacola Professional Baseball, LLC. gave the university \$500,000 in improvements to UWF Baseball Field, which will be the home field for the Pensacola Pelicans, a semi-professional baseball team.

Those improvements include more than tripling the seating capacity of the field including intimate on-field seating and superior seating at the field level. The gift also provides two party decks, additional restroom and concession facilities, the creation of a new playground and picnic areas within the ballpark and the installation of a new security fence and wheelchair accommodations.

Pensacola Professional Baseball, LLC, requested that the baseball complex be called Pelican Park at UWF, but only for the season.

The Honorary Awards and Recognition Committee unanimously approved the request on June 6.

The gift meets the guidelines for naming opportunities as outlined in the President's Memorandum of February 10, 1995.

Supporting documentation: None

Prepared by: Keith Goldschmidt
850-474-2368

Agenda item: 9

UWF Board of Trustees
Finance, Administration and Audit Committee
June 19, 2003

Issue: Delegation of authority to president or designee to settle lawsuits

Proposed action: Approve

Background information:

At the May 16, 2003 conference call meeting of the Board of Trustees, the president was delegated authority to settle lawsuits on behalf of the university, provided that clarifying language be brought back to the Board at the next meeting. That language was to specify the conditions of that authority.

The proposed language follows:

The delegation of authority to the president or designee to initiate and settle lawsuits is conditioned upon a continuing obligation to timely report to the Board of Trustees, and in advance to the Executive Committee when practical, the results and rationale of decisions taken pursuant to this delegation.

Supporting documentation: None

Prepared by: Hal White
850-474-2152

Discussion agenda item: 1

UWF Board of Trustees
Finance, Administration and Audit Committee
June 19, 2003

Issue: Guidelines for naming opportunities

Proposed action: None – Discussion only

Background information:

At the February 21, 2003 meeting of the Finance, Administration and Audit Committee, staff was asked to bring back proposed guidelines for naming opportunities, along with comparative data from peer institutions. The university is operating under a 1995 presidential memorandum on naming opportunities.

Fifteen peer and aspiration universities were contacted to collect information, with eight of them responding, though two did not have any policy. Information from the University of North Florida also was included, as it is a similar institution.

Board of Trustees and UWF Advancement staff met to review the data and to discuss proposed guidelines, which would be used when soliciting funds for the university. However, since Vice President for Development Dean Van Galen will assume his duties on June 30, the staff felt it was best for him to have opportunity to carefully review the data and assess the giving patterns of UWF donors before finalizing guidelines for committee review.

Because the Foundation is responsible for fund raising, it is recommended that any guidelines approved by the Finance, Administration and Audit Committee be forwarded to the Foundation for its review and comment. Once that is completed, the Finance, Administration and Audit Committee would make the necessary changes and bring the issue to the full Board of Trustees.

Supporting documentation: Text of 1995 presidential memorandum on guidelines
Comparative data grid

Prepared by: Keith Goldschmidt
850-474-2368

President's Memorandum number 40
February 10, 1995

Subject: Naming of campus buildings, parts of buildings, facilities and other spaces; memorial/honorary naming opportunities

Purpose: To establish guidelines for the naming of campus facilities and naming opportunities

1. Naming of campus buildings, parts of buildings, facilities and other spaces policy

Specific legislative and Board of Regents' guidelines governing the naming of university buildings, parts thereof, facilities and other spaces are:

267.062 Florida Statutes

1. Except as specifically provided by law, no state building, road, bridge, park, recreational complex, or other similar facility shall be named for any living person.
2. The division (of Historical Resources of the Florida Department of State) shall, after consulting with appropriate citizens' committees, recommend several persons whose contributions to the state have been of such significance that the division may recommend that state buildings and facilities be named for them.

6C-9.005 FAC (Board of Regents rule)

1. A president may recommend for the consideration of the Board a name for any building or other facility on campus.
2. The naming of a building or other facility shall be in accordance with the provisions of Section 267.062, Florida Statutes.

General Policies

The University of West Florida general policies regulating the naming of buildings, parts thereof, facilities, and other spaces follow:

1. For buildings or facilities requiring Board of Regents and/or legislative action, the president may seek or receive a recommendation for naming from the Honorary Awards and Recognition Committee. The president will recommend action to the Board of Regents, whose staff will secure the approvals required by law.
2. For buildings or facilities not requiring Board of Regents and/or legislative action, the president may seek or receive a recommendation for naming portions of buildings, classrooms, lecture halls, seminar rooms and similar facilities from the Honorary Awards and Recognition Committee.
3. As a general rule, university facilities or components thereof will not be named for current or former university employees, living or deceased. An exception may be considered by the president in the event that an individual's contributions to the advancement of the university are of such distinction that they transcend any one component of the university.

Procedures

4. Nominations for the naming of buildings, portions thereof, facilities, and other spaces will be forwarded in writing to the vice president of Advancement who will acknowledge receipt of the nomination and prepare a recommendation to the Honorary Awards and Recognition Committee. The committee will;

i. Consult the appropriate university officials and constituents to compile information about the distinguishing characteristics to the advancement of the university. (These contributions may be material gifts, extraordinary achievement, distinguished service or comparable achievements.)

ii. Compile written references attesting to the contributions of the nominee.

iii. Make a recommendation to the president of the university.

5. When nominations are for naming of buildings, parts thereof, facilities and other spaces for a donor, the vice president for advancement will consult with the Executive Committee of the UWF Foundation, Inc., who will determine if the gift is of such significance to warrant a named facility. The vice president will forward that information with her/his recommendation to the Honorary Awards and Recognition Committee

Recognition

When the naming of a building, parts thereof, facility or other space is approved by the university president and/or Board of Regents and Florida Legislature, the vice president for Advancement or designee will be responsible for planning and implementing appropriate recognition ceremonies.

Exceptions

The president has the authority to make exceptions to these policies to serve the best interests of the university.