

Minutes
UWF Board of Trustees
Finance, Administration and Audit Committee Meeting
UWF Conference Center (B & C)
May 4, 2006

Committee Chair Sharon Hess Herrick called the meeting to order at 8:39 a.m. announcing that Trustee Marny Gilluly would be joining via conference call. She asked Faye Bowers to call roll.

Committee members attending:

Mrs. Nancy Fetterman
Mrs. Marny Gilluly
Jeanne Godwin
Mrs. Sharon Hess Herrick
Mr. J.T. Young (arrived late)

Others attending:

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

Chair's Greetings

Chair Hess Herrick thanked everyone for their attendance at the meeting and welcomed Jeanne Godwin to the committee for her first meeting as a trustee. Chair Hess Herrick welcomed Bert Hartley, Interim Vice President for Administrative Affairs. The chair announced that Anita Schonberger has been appointed UWF General Counsel.

Action Items

1. A motion was made to approve Minutes of March 7, 2006 as presented by Chair Hess Herrick to include editorial comments by Trustee Gilluly. www.uwf.edu/trustees

Motion by: Trustee Gilluly
Seconded by: Trustee Fetterman
Motion approved unanimously.

2. A motion was made to approve Material and Supply Fees for 2006-07 as presented by Dr. Pete Metarko who addressed the committee.

http://www.uwf.edu/trustees/May4_06/MandSfees_yearlycomparison_0607.pdf
http://www.uwf.edu/trustees/May4_06/MandSfees_2006_cops.pdf
http://www.uwf.edu/trustees/May4_06/MandSfees_2006_cas.pdf

Motion by: Trustee Gilluly
Seconded by: Trustee Fetterman
Motion approved unanimously.

A motion was made to approve the Tuition Benefit Plan for Faculty and Staff as presented by Pete Metarko as follows: *The UWF Board of Trustees, led by Chairman K.C. Clark, approved an employee tuition waiver program May 4. This program applies to full-time university*

employees who are not covered by a bargaining unit and to those who are covered by a bargaining unit that has negotiated this benefit with the university. Eligible employees will now be permitted to take up to six credit hours of undergraduate or graduate coursework at UWF per term (fall, spring, summer) without payment of tuition or mandatory fees. Employees may also assign up to six of their undergraduate credit hours or up to three of their graduate credit hours to their dependents. Courses such as directed studies, practicums, internships, music and theatre performance, continuing education and one-on-one course situations, such as theses and dissertations, are not authorized. This benefit will be effective fall 2006. URL: http://uwf.edu/trustees/May4_06/Employee_Tuition_Waiver.pdf.

Motion by: Trustee Fetterman

Seconded by: Trustee Gilluly

Motion approved unanimously.

A motion was made to approve the Parking and Traffic Control Regulation as presented by Anita Schonberger.

http://uwf.edu/trustees/May4_06/Notice_req_park_traffic_control_2007.pdf

Motion by: Trustee Gilluly

Seconded by: Trustee Godwin

Motion approved unanimously.

3. A motion was made to approve the Five Year (PECO) Public Education Capital Outlay Improvement Plan and delegate authority to the President to update and submit to the legislature as presented by Bert Hartley. Hartley noted this is the annual submission that he, Dr. Jim Barnett, and the UPIC committee reviewed and recommended to President Cavanaugh.

http://www.uwf.edu/trustees/May4_06/CIP0712sum_spreadsheet32706.pdf

Motion by: Trustee Fetterman

Seconded by: Trustee Godwin

Motion approved unanimously.

4. A motion was made to approve the UWF Financial Statements Audit Report FY2004-05 as presented by Betsy Bowers.

http://www.uwf.edu/trustees/May4_06/UWF_financial_statements_audit_report_fy2004_05.pdf

Motion by: Trustee Fetterman

Seconded by: Trustee Godwin

Motion approved unanimously.

5. A motion was made to approve the UWF 2005 Federal Funds Audit as presented by Betsy Bowers who reported that Florida Statutes require a follow up audit within 6 months. Bowers said annually an audit of the university's Federal funds is conducted by the university's external auditors, Florida Auditor General.

This audit is of the federal funds of the University of West Florida for the fiscal year ended June 30, 2005, was conducted pursuant to the provisions of Section 11.45, Florida Statutes, and applicable standards contained in Government Auditing Standards issued by the Comptroller General of the United States.

The scope of this audit included an examination of Federal awards administered by the University and was included in the Auditor General's Statewide audit of Federal awards administered by the State of Florida.

The following provides a summary of the five (5) findings of the Auditor General's audit of the federal funds of the University:

Federal Financial Aid Findings

1. UWF Finding [Page 232]

Finding: document the required notification, of student or parent FFEL and FDSL loan borrowers or FPL student loan borrowers, within 30 days before or after crediting a student's account with FFEL, FDSL, or FPL funds.

2. UWF Finding [Page 273]

Finding: Three (3) of the 20 students tested, the institution did not provide documentation evidencing that exit counseling materials had been provided.

Research/Sponsored Programs [IHMC findings]:

Summary of Questioned Costs—page 279 {total **\$821,157** in questioned cost for UWF}

3. UWF Finding 3 [Page 291-292]

Finding: Testing of after-the-fact time-and-effort certifications for employees whose salaries were charged in total or in part to 10 Federal grants disclosed that certifications for 14 employees were not signed by the employee or by a supervisor employed at the institution with direct knowledge of the employees' activities. Additionally, the certifications were not completed timely for 53 of 63 certifications tested. {Questioned cost \$618,904}

4. UWF Finding 4 [Pages 296-300]

Finding: The institution did not receive the required grantor approval for continuation of Federal grant No. N00014-4-1-0384 prior to the separation of the principal investigator (PI) from employment with the institution. {Questioned cost \$58,970}

5. UWF Finding 5 [Pages 334-336]

Finding: The institution granted a sub award, totaling \$118,965, from grant No. NCC2-1399 to Carnegie Mellon University (CMU) where the grant's principal investigator (PI) and another institution employee were also employed. The institution did not always properly review and approve payments to the sub recipient (CMU) and another sub recipient (grant No. NCC2-1413). {Questioned cost \$143,283}

Bowers said that UWF has begun to take corrective action for each finding noted. By Florida Statute, UWF Internal Auditing and Management Consulting (and the AG) must perform a follow-up within six (6) months and provide a status report to the Legislative Audit Committee (IAMC will also notify the UWF Cabinet and Board of Trustees).

For the items with questioned costs, we await contact from the various federal agencies. Usually, they ask for additional information before making a ruling on whether the University will be required to return monies. After the university clarifies any questions, the Federal agency makes a '**final determination**' and sends this to the University in a letter. This will tell UWF whether or not we have to return any monies and how much. This usually takes about 8-12 months (based on the University's past experience).

Federal monies may have to be returned to the Federal government for each questioned cost. This could total as much as \$821,157. If Federal monies need to be repaid, most relate to the IHMC grants and the potential for disallowed grant items has been addressed in the Addendum

1 of the Affiliation Agreement between UWF and the FIHMC. This audit and its resolution of questioned costs are part of the fiscal oversight by the UWF Board of Trustees for the University of West Florida.

http://www.uwf.edu/trustees/May4_06/AG_report_fy_200405_2006_152.pdf

Motion by: Trustee Fetterman

Seconded by: Trustee Young

Motion approved unanimously.

6. A motion was made to approve the Lease Modification Agreement as presented by Anita Schonberger.

http://www.uwf.edu/trustees/May4_06/Campus_Lease_Modification_Agreement.pdf

Campus Lease agreement #2722

http://www.uwf.edu/trustees/May4_06/Campus_Lease_Agreement_2722.pdf

Motion by: Trustee Fetterman

Seconded by: Trustee Young

Motion approved unanimously.

Hess Herrick called on Bert Hartley who introduced Angela Wallace, Executive Assistant for Administrative Affairs Division.

Informational/Discussion Items

1. 2005-06 Operating Budget Update presented by Barry Brighton.

http://www.uwf.edu/trustees/May4_06/Consolidated_Operating_Budget_Summary.pdf

http://www.uwf.edu/trustees/May4_06/Capital_Budget_Report_3312006.pdf

Brighton reported that utilities will probably be 29% above projections for the year and that each division will contribute to make up the deficit.

2. 2006-07 Initial Operating Budget Plan presented by Barry Brighton who noted with President Cavanaugh that this item will be brought before the full Board on June 26th as a result of the legislative session not being over as of May 4.

http://www.uwf.edu/trustees/May4_06/Initial_Draft_FY07_EGBudget.pdf

3. Tuition and Fees presented by Pete Metarko who reported that this item will be brought before the full Board at the June 26, 2006 meeting

http://www.uwf.edu/trustees/May4_06/Proposed_amend_UWFREG_4_008_TF2006Redline_Regulation_Notice_4_.pdf

Other Finance, Administration, and Audit Items

External Audit Firm Selection for Intercollegiate Athletics and WUWF was presented by Betsy Bowers as an informational item which she noted as standard procedure. Trustee Fetterman inquired about the decision to select a firm from another city rather than a local firm.

Hess Herrick thanked the President for going to bat for the university during the legislature session.

With no further items, Chair Hess Herrick called for a motion to adjourn the meeting and an invitation to attend the Nurses' Pinning Ceremony at 11:00 a.m. was announced. Hess Herrick encouraged committee members and guests to attend the remaining portion of the Academic and Student Affairs Committee meeting next door.

A motion to adjourn the meeting was made at 9:30 a.m.

Motion by: Trustee Fetterman

Seconded by: Trustee Godwin

Motion approved unanimously.