

**University of North Florida
Board of Trustees
January 22, 2009**

Minutes

Trustees in Attendance: Mr. John Barnes, Mr. Luther Coggin, Mr. Wilfredo Gonzalez, Mrs. Ann Hicks, Mrs. Wanyonyi Kendrick, Mrs. Joy Korman, Dr. Katherine Robinson, Dr. Bruce Taylor, Mr. Kevin Twomey

Trustees Absent: Dr. Edythe Abdullah, Mrs. Toni Crawford, Mr. Hugh Greene, Mrs. Joannie Newton

Pre-Agenda Item 1: Recognition of Coach Dusty Rhodes. Chair Taylor recognized Coach Dusty Rhodes for his induction into the Coaches Hall of Fame. He announced that this was the first such honor for a UNF coach.

Coach Rhodes spoke to the Board about his tenure at the university. He commented on the improvements that President Delaney had made and offered appreciation for his vision for athletics.

President Delaney applauded Coach Rhodes on his accomplishments and provided highlights on his career at the university. President Delaney spoke about the baseball program's graduation rates under Coach Rhodes' stewardship and stated that Coach Rhodes had proven that you could coach the right way and still win.

Item 1: Call to Order: Chair Taylor convened the meeting and recognized a quorum.

Item 2: Chair's Report. Chair Taylor talked about the impending workshop and mentioned that Dr. Terry MacTaggart would be present to discuss good trusteeship in difficult times. Chair Taylor also announced that he and members of the university's executive staff would be attending a workshop in March with a discussion on boards of trustees achieving high performance.

Item 3: President's Report. President Delaney reported on budgetary issues, specifically the predicted shortfalls. He also reported on campus construction, noting that projects were on time and some were under budget.

Item 4: Open Comments. Chair Taylor addressed those in attendance and offered opportunity for open comments. Chair Taylor recognized Trustee Barnes.

Trustee Barnes asked the Board to recognize that the students were the university's primary constituency. He clarified that he did vote for the last tuition increase but expressed concern regarding the continuing tax on students. He encouraged the Board to be mindful of the rising costs for the average college student when considering the potential of increased tuition.

Trustee Barnes spoke about increasing student fees, noting that this did not promote the welfare of students. He mentioned that he was aware of the need for revenue but warned against taxing students. He concluded by asking the Board to consider the sacrifice students would face when tuition was increased.

Chair Taylor acknowledged Trustee Barnes' concerns regarding student sacrifices and stated that the Board would remain mindful.

Item 5: Consent Agenda. Chair Taylor asked trustees to acknowledge that item 5Ci, Policy on Program Termination, was pulled from the consent agenda for further discussion by the full Board. He asked for a MOTION for approval for the consent agenda, with the exception of item 5Ci. The MOTION was offered by Trustee Korman and seconded by Trustee Barnes. Chair Taylor asked for further discussion and then called for the vote. The consent agenda was approved as modified.

Item 5Ci: Policy on Program Termination. Chair Taylor stated that this item was reviewed by the Educational Policy Committee. He asked Provost Workman to present further discussion.

Provost Workman stated that the Board of Governors (BOG) mandated that the university develop this policy on program termination. He clarified that this action was not a response to the current budget cut backs.

Provost Workman stated this policy acknowledged the Board's ultimate authority over continuing and eliminating all programs within the university. He noted that it was unlikely the Board would make any determination on program elimination on its own, although that was a part of the Board's authority.

Provost Workman stated that all academic programs were regularly reviewed for alignment with the mission and there were occasions, although uncommon, where it was deemed appropriate to terminate or relocate a program.

President Delaney reported that the proposed policy on program termination reflected suggestions made by the Educational Policy Committee. He clarified that department chairs requested additional time to review the policy. After their review, the department chairs expressed concern about a request for termination, specifically that such a request emanate from somewhere other than that department. Department chairs rationalized that a department could not be required to develop a reasonable justification for its own elimination.

Chair Taylor stated that the revised language made clear the termination of programs. He assured faculty that the Board would give serious consideration to recommendations for program termination and that this action would not be taken lightly or without serious deliberation on all issues involved.

Chair Taylor asked for a MOTION to approve the policy on program termination. Trustee Robinson offered the MOTION and Trustee Gonzalez second. The MOTION was approved as presented.

Item 6: Discussions on the Proposal for the Purchase of the Museum of Contemporary Art (MOCA). President Delaney discussed the current status of the university's proposed purchase of MOCA and reviewed highlights of the transaction. He stated that, after the last discussion with the Educational Policy Committee, it was determined that one major piece of art had a reverter clause, which rendered it unsellable. President Delaney discussed the transaction, as related to the current economic situation, and clarified that Christies would be providing a valuation on the major works in the collection.

President Delaney stated that no official action was required at this time and no action would be taken until the Board formalized approval.

This item was for information only. No further action was required.

Item 7: Proposal for a Settlement of the Case Regarding Granger and the UNF Science and Engineering Building. Chair Taylor asked Associate Counsel Wrenn to speak about this item.

Mr. Wrenn reported on the status of the university's lawsuit against Grainger Building Corporation, USF&G and RS&H, informing the trustees that the parties had completed two days of mediation without reaching a settlement, and that the parties had determined to continue the mediation.

This item was for information only and required no further action.

Item 8: Review of the State of Florida Auditor General's Report on UNF's Financial Audit for Fiscal Year Ended June 30, 2008. Chair Taylor asked Vice President Shuman to report on this item.

Vice President Shuman explained that this report was usually reviewed by the Finance and Audit Committee in March but was being brought before the Board because of a requirement by the Southern Association of Colleges and Schools accreditation process. She reported that there were no management findings and the audit was clean.

Item 9: Reports from the Finance and Audit Committee. Chair Taylor asked Trustee Twomey to speak about these reports.

Trustee Twomey asked Vice President Shuman to speak about the operational audit, treasurer's report, quarterly budget report and the capital projects report.

Item 9A: Review of the Follow-up on the State of Florida Auditor General's Report on UNF's Operational Audit for Fiscal Year Ended June 30, 2008. Vice President Shuman stated that this report was issued every two years. She noted that in this update, most items identified were discussed and implemented.

Item 9B: Treasurer's Report. Vice President Shuman clarified that this report reflected data from October 2008. She reported that, although rates had varied, the university was doing well. She noted that (a) a provision was made to broaden short-term cash, and (2) more funds were

invested than not. She explained that the high cash balances in the bank were a result of a loan that would be paid out at the end of the week.

This report was provided for information only. No further action was required.

Item 9C: Quarterly Budget Report. Vice President Shuman reported on the E&G budget, noting that the university was on target for the year. She spoke about the auxiliary budget, listing issues with Continuing Education and the Fine Arts Center. She provided details on resolutions to these issues.

President Delany spoke about the state of the budget and presented several scenarios for accommodating additional cuts. He noted that it was possible to see about \$3 million more than the preliminary budget with a worst case scenario of about \$5 million. He discussed tuition mentioning that, based on the actual shortfall, tuition may stay flat or increase by 5 to 15 percent.

Trustees discussed student reaction to increased tuition and asked that the administration educate students about the potential increases.

Trustee Barnes clarified that the Florida Students Association was not against tuition increases up to 15 percent. But, the problem was that the increase was insurmountable when not covered by Florida Bright Futures and Florida Prepaid Tuition plans.

This item was for information only. No further action was required.

Item 9D: Capital Projects Quarterly Report and Change Orders. Vice President Shuman stated that the building program was going strong. She reported on the education building, stating that the completion date was set for mid-April. She noted that this project was under budget and earlier than anticipated.

Vice President Shuman reported that three projects were on schedule and on budget, (1) the student union, expected occupancy in May, (2) Osprey Fountains, expected occupancy in early August, and (3) the stadium renovations (completed July 2008).

Vice President Shuman spoke about several other projects, noting that the Brooks College of Health still had change orders; Founders Hall renovations would start the programming phase in early March; the Student Wellness and Sports Education Center's progress would depend on available funding; and funding for the science and humanities building was released.

This item was for information only. No further action was required.

Item 10: Reports from the Educational Policy Committee Meeting. Chair Taylor asked Trustee Hicks to speak about this report.

Item 10A: Update on the Southern Association of Colleges and Schools (SACS) Reaccreditation Process. Trustee Hicks stated that Provost Workman would provide an update on the university's quality enhancement proposal.

Provost Workman stated that the university had spent the last two years developing a compliance report for SACS reaccreditation. He noted that this report was submitted to an off-site committee in early September. This committee provided their reactions to this report. Provost Workman clarified that the university had submitted evidence in a focus report that addressed these reactions. He conveyed that this focus report was being reviewed by an on-site committee, which would be on campus February 10-12. Provost Workman reported that the on-site committee would review the Quality Enhancement Plan and also, this visit would allow the university to speak directly to SACS.

Provost Workman concluded by noting that all that could be done to demonstrate compliance had been done and the university was hopeful that the efforts would prove successful. He clarified that the university would be apprised of the committee's views upon departure. The final reaccreditation vote would not occur until December 2009.

Item 11: Adjournment. The meeting was adjourned.