

**University of North Florida  
Board of Trustees  
Conference Call  
Thursday, June 19, 2003**

**Trustees in Attendance:** Dr. Bowen and Mr. Watterson were in attendance. Dr. Abdullah, Mr. Coggin, Mr. Douglas, Mr. Gonzalez, Mr. Halverson, Ms. Kendrick, Dr. Taylor, Ms. Thompson, and Mr. Twomey participated by phone.

**Trustees Absent:** Ms. Crawford and Ms. Hicks notified Chair Thompson that they would not be able to attend the meeting.

Trustee Gonzalez informed the group that he might be unable to participate throughout the conference call due to illness.

**Call to Order/Approval of Minutes**

Chair Thompson called the meeting to order expressing her appreciation for the Trustees' participation in the conference call and in the preceding committee meetings. Roll call was conducted and quorum was established. Chair Thompson requested a motion to approve the minutes. Trustee Douglas proffered the motion, it was seconded by Trustee Gonzalez and unanimously approved.

Chair Thompson announced that she would have to reorder the agenda items. Ms. Owen would present her report prior to the Finance and Audit Committee report. Additionally, Chair Thompson would delay her report until later in the meeting.

**President's Report**

Dr. Kline stated that there were three items in his report. He gave credit to Karen Stone and Jim Collum for signing the agreement that spawned the first company based on a University patent. UNF licensed and received 2 million shares in a company called GeoAge, a start up company. The University has since applied for another patent on a mechanism used to densify messages on wire or fiberoptics. Trustee Gonzalez asked to see more information on GeoAge. Dr. Kline replied that he would be happy to provide more information to Trustee Gonzalez.

President Kline said that the University had received a request from United Faculty of Florida to schedule a pre-bargaining meeting. The University was in the process of identifying individuals to serve as a bargaining team for the administration. He also said that a closed session had been scheduled immediately following the July 17 Board meeting to discuss bargaining. This is in accordance with Florida statutes.

In closing, Dr. Kline said he would like to thank the Board for their support. He said he'd enjoyed working with the Trustees and getting to know them all and felt a great deal had been accomplished. Chair Thompson replied that the Trustees would like to reiterate their thanks to Dr. Kline.

### **Legislative Update**

Ms. Janet Owen reported that the legislature was in an extended session through Friday, June 27. It was proposed that the legislature would consider only medical malpractice legislation through the balance of the special session. Election reform legislation was passed as was legislation allowing alternatives to the FCAT. However, the State Board of Education met in Orlando on June 17 and voted to exclude exceptions to the FCAT such as those contemplated in the legislation currently before the Governor.

Ms. Owen said that the Governor had received the budget. Vetoes were due July 2 so she was monitoring UNF issues, but expected no problems.

At its June 17 meeting in Orlando, the State Board of Education passed a K-20 accountability work plan. The Council for Education Policy, Research, & Improvement (CEPRI), in accordance with directions in budget proviso, will study the feasibility of proposed 5-year funding contracts between the State of Florida and FSU, FIE, and UF. USF will, in all likelihood, be added to the study. Presentations will be made to the group at the July and August CEPRI meetings, with a draft report to be circulated in October for comments from other Florida universities. The final recommendations are due to the Governor, Speaker of the House, and Senate President on November 1.

During the special session, legislation was passed that established the Board of Governors and reconstituted the university boards of trustees in accordance with Constitutional Amendment #11. Additionally, authority was given to the university boards of trustees to establish an admissions deposit for up to \$200, and presidential salaries were capped at \$225,000, payable with public funds, though additional funds could be applied from private sources.

Ms. Owen reported that Tom Petway had resigned from the Board of Governors as had the faculty representative, Dr. Briggs. Peter Rummel will replace Mr. Petway and Trustee Bowen said that Howard Rob from FIU was designated to replace Dr. Briggs. Ms. Owen stated that Carol Roberts, currently the vice chair, had been proposed as the new chair of the Board of Governors.

Chair Thompson thanked Ms. Owen for her report.

## **Finance and Audit Committee Report**

Trustee Twomey related that the FAC had an extremely productive meeting. He thanked President Kline, Dean Serwatka, and Mr. Arjune for all of their work in providing materials to assist the group in focusing on the issues. He said that as all of the Trustees had been in attendance at either the FAC or a second meeting offered by the President's office to allow Trustees who had not been able to attend the committee meeting access to the information, he would keep his remarks brief.

### *Approval of 2003/2004 Tuition*

Trustee Twomey indicated that the Legislature had provided an 8 ½% tuition hike with an additional 6.5% discretionary increase for out-of-state students and in-state graduate students. The State's proposals, however, were based on the assumption that all universities had raised tuition to the maximum allowable amount the previous year. UNF, in fact, had not. This meant that UNF would need to comply with the required 8.5% increase for out-of-state students as stated in the law, resulting in an increase of approximately \$10,000 more than was originally planned. Dr. Kline recommended that the overage be used for financial aid. Trustee Twomey moved for approval of the tuition increase. No second was required.

Trustee Taylor commented on the motion, stating that he supported the proposal but felt that it was important to consider the out-of-state tuition level if the University hoped to attract top students from around the country. He said that current financial support for graduate students was rather low and thought the Board should look for ways to generate more support for graduate students in the future. Chair Thompson thanked him for his comment and said the issue would be a good one to examine in the fall with the strategic plan.

Trustee Douglas thanked President Kline, Dean Serwatka and Mr. Arjune for taking the time to bring trustees who had been unable to attend the FAC meeting up-to-date.

Chair Thompson called the motion to a vote and it passed unanimously.

### *Approval of 2003/2004 Budget*

Trustee Twomey remarked that the University and the Board had been forced into a situation where difficult choices had to be made in order to create a budget that would allow the University to succeed. He recommended approval of the 2003/2004 budget.

Trustee Taylor noted that that the new tuition figures under the *Needs and Possible Funding Sources* chart were the original figures and were not reflective

of what had actually been passed by the Legislature. Dr. Kline affirmed his observation but said the budget would be passed according to the tuition set by the Legislature.

The Trustees voted to pass the budget.

Chair Thompson again thanked University staff and Trustees for all their hard work on the budget.

#### *Approval of Major Gifts and Courtelis Allocations for 2003/2004*

Trustee Twomey said he was pleased to recommend approval of the \$1.5 million allocation to match Courtelis and Challenge Grants. The motion passed unanimously.

Trustee Gonzalez excused himself from the remainder of the conference call after verifying that quorum would not be affected by his departure.

#### *Ratification of Land Purchase from First Coast Technology Park*

Trustee Twomey pointed out that the word ratification was important as the University did not technically need approval from the FAC or the Board but Dr. Kline felt would be beneficial for the Board to ratify the decision. Trustee Twomey said the purchase would save the University a significant amount of money and would be a wise decision. Trustee Douglas agreed. Mr. Twomey motioned to approve the purchase. The Board unanimously approved the motion.

#### *Approval of 2004/2005 Housing Rate Increases*

Mr. Twomey clarified that the proposed housing rate increases were actually for the following year, 2004/2005. It was necessary to establish rates early enough for the brochures to be prepared with the actual figures. The average increase was in the five percent range, which Vice President Gonzalez had assured the FAC was within an appropriate range for students housing. Trustee Twomey offered the motion for approval and it passed unanimously.

#### *Approval of Parking Fee Increases*

A parking rate increase of approximately 12% was recommended by the FAC. The increase received broad support from a committee of University faculty, staff, and students, as well as from the administration. The economy rate was brought down from \$35 to \$30 in an attempt to help keep the burden off of the people who had the most difficulty financially. The motion was unanimously approved by the Board.

### *Approval of Lease Modification Agreement*

Karen Stone spoke to the lease modification agreement, stating that it allowed for direct lease of University land from the State to the Board of Trustees as the Board now has authority to hold leases. Trustee Twomey proffered the motion for approval and it was approved unanimously.

Chair Thompson thanked everyone for being so well prepared for the conference call and for attending either the FAC meeting or the special informational session offered by the President's office. She also expressed appreciation for Dr. Kline, Dr. Serwatka, Trustee Twomey, and Mr. Arjune for coordinating the meetings.

### **Summary of the Discussion on Proposed New Student Union**

President Kline asked that Dr. Gonzalez lead the discussion on this item. Dr. Gonzalez said that as most of the Trustees were present for the original discussion at the FAC meeting, he would keep his remarks brief. He spoke of the need for a student union and said that the University had decided to build a new union across from the arena where the portables are currently located rather than renovate the existing building. According to a survey conducted by former Trustee Hank Rogers and MGT of America, students would be able to tolerate a \$5-6 increase in fees to fund the new union.

Vice President Crosby went over the rationale for building a new student union, stating that it would enable the University to be more competitive with other universities as the residential population grew and provide a venue for evening activities. Mr. Crosby said the union was a priority item and he hoped to move fairly quickly. He spoke of funding sources for the project, including CTF and student fees. Additionally, there is the potential for investments, possibly a bookstore, and food services. Funding requests will be presented at the July Board of Trustees meeting. A request for PECO funds to finance a student affairs office for that building will also be presented at the July meeting. The University is also looking at the utilization of general obligation bonds in this endeavor and the possibility of establishing a separate DSO for that purpose.

Dr. Kline added one item to the report, noting that construction of a new student union would free the space in Building 14 for academic use, classrooms, faculty offices, etc. Chair Thompson asked if the University had reached the cap for student fees. Dr. Kline responded that we had but said alternatives to the cap were being considered. Chair Thompson pointed out that both the student union and an application to NCAA Division I would require an increase in fees. She cautioned the Trustees and University staff about reaching too far before funding was available.

Trustee Abdullah asked about PECO funds, remarking that there was supposed to be a shortage over the next few years. Vice President Crosby verified her

observation but said that if UNF used general obligation bonds, PECO would not be an issue for the next two years. Trustee Abdullah asked if the planning funds had been requested yet. Mr. Crosby answered that the funds would be requested at the July meeting. Chair Thompson added that the information was only presented to keep the Board apprised. No action would be taken at this time. She added that some consideration should be given to alternative methods of funding such as philanthropy. Trustee Douglas reiterated the importance of the union to students.

## **Chair's Report**

Chair Thompson said several issues would be addressed in her report, including a status report on transition issues, the schedule for BOT and committee meetings for the coming year, and the retreat. She said that although the goal had been to hold the retreat sooner rather than later, it had been decided that it would be more appropriate to wait until the new president could be included. In the meantime, a calendar would be issued for next year's BOT and committee meetings. The Board would meet every other month with conference calls if needed on the alternate months. Board and committee meetings were scheduled for the same days and times as the previous year.

Chair Thompson stated the capital campaign had been concluded successfully and she hoped to see 100% participation from both the Board of Trustees and the Foundation Board in future campaigns. Trustee Gonzalez had asked a question regarding grounds and facilities. Chair Thompson said that issue had been postponed and would be addressed by the FAC after the presidential transition.

Trustee Abdullah suggested incorporating a strategic conversation prior to Board meetings for both the Trustees and the President would be beneficial. Staff could prepare the President and Trustees for specific issues that required further information. Chair Thompson thanked her for the suggestion, indicating that she had discussed a similar need with Mr. Delaney and thought it an excellent idea.

Chair Thompson said that she had discussed his employment contract with Mr. Delaney. She thanked Ms. Stone for her research and for preparing the contract. Chair Thompson and Mr. Delaney had easily come to resolution on the contract., although it was not yet signed as Mr. Delaney was out of town. Mr. Delaney would officially begin his new duties on July 1 but would spend the first few weeks learning about the responsibilities of the position and getting settled. Chair Thompson said she believed Mr. Delaney would be in contact with Board members prior to July 1. Salary was agreed upon in the amount of \$218,000, which, although it was at the low end of current presidential salaries did not seem inappropriate given the size of the institution and the new president's experience. Mr. Delaney would also receive an amount for an annuity or deferred

compensation from the Foundation Board as well as a car and housing allowance.

Chair Thompson said that Dr. Kline had been very helpful in the transition. She had suggested to Mr. Delaney that he take advantage of Dr. Kline's offer of assistance as Dr. Kline had such strong commitment to and knowledge of the UNF. Mr. Delaney said that Dr. Kline was honorable and helpful and has accepted Dr. Kline's assistance. The Trustees applauded Dr. Kline. Dr. Kline said that he and Mr. Delaney had discussed how best to utilize his assistance and that he looked forward to helping however he could. In response to a question from Trustee Coggin, President Kline said he thought Mr. Delaney would have a decision soon regarding the position of provost. Dr. Kline agreed to serve in the position for a year but no longer if needed while a search was conducted. Otherwise he planned to go back into teaching and scholarship.

Chair Thompson said that as it would be a time consuming prospect bringing Mr. Delaney up to speed, Dr. Kline had agreed to stay and would be acting president until Mr. Delaney came on board. She said any issues should be referred to President Kline as had been done in the past. She requested that Board members continue route issues through the President's office. More information would be available by the July meeting if not sooner.

Trustee Coggin stated that he had attended the informational meeting at the President's office on Monday and remarked on how generous everyone had been with their time. He thanked President Kline for all he had done. He said Dr. Kline had performed impeccably and he couldn't envision anyone doing a more outstanding job. Chair Thompson said Trustee Coggin spoke for all of them.

Ms. Stone reported that Mr. Delaney's appointment would be ratified by the Board of Governors on Monday, June 23. She said she would send an email with the call-in information in case the Trustees wished to listen to the meeting.

Chair Thompson thanked everyone for their participation and preparation for the meeting. Discussion ensued regarding Trustees' attendance at the July Board meeting. Dr. Serwatka asked Trustees to notify the President's office if they would be unable to attend the meeting so he could get an idea of whether quorum could be met.

The meeting was adjourned.