



Minutes
University of Florida
Board of Trustees Meeting
December 3, 2005

A regular meeting of the University of Florida Board of Trustees was held on Friday, December 3, 2004 at 11:15 a.m., in Presidents Room 215B of Emerson Alumni Hall, University of Florida.

Chairman Manny Fernandez called the meeting to order and verified a quorum.

Mr. Fernandez called upon President Machen to deliver the President's report. Dr. Machen reported the work of the University was going on smoothly with students in classes and the faculty going about its work. He noted that the Faculty Senate is doing fine work on shared governance and is working closely with administrators. He commented on the many activities of Student Body President Jamal Sowell and of Student Government this past Fall.

Dr. Machen next spoke of a staff climate survey that will be conducted in Spring 2005 in an effort to more fully understand faculty and staff concerns. Dr. Machen spoke of the consolidated management of UF investment assets under Earl Powell's leadership. He commended Vice President Ed Poppell and the ground crews for the work they did after the hurricanes. Dr. Machen stated that Bridges is operational and after five months Ed Poppell is to be commended for his willingness to be responsive to complaints. Dr. Machen then introduced Jane Adams, Vice President for University Relations, the University's newest vice president. He reported on two ongoing searches, one for the Provost and the other for the Vice President for Human Resources. Dr. Machen spoke of outgoing Provost David Colburn, commenting that he could not have had a better colleague and collaborator at the university during his transition to the University of Florida. He stated that he and the University of Florida personally owe a great debt of

gratitude to Dr. Colburn. He also thanked Dr. Richard Jones for his job as interim Sr. Vice President for Agricultural and Natural Resources and announced that after a nation-wide search Jimmy Cheek, Dean for College of Agriculture and Life Sciences, was now Sr. Vice President. Dr. Machen stated that his assistant Sandy Hayden was retiring at the end of the month and commented that she had been an invaluable member of the University team. Dr. Machen reminded everyone that soon the students would be taking final examinations and he wished everyone safe holidays.

Mr. Fernandez asked committee chairs to deliver their reports. Trustee Joelen Merkel delivered the report of the Committee on Audit and Operations, highlighting the recent issues coming before the committee. Mrs. Merkel noted that the audit of direct support organization financial statements resulted in all with unqualified opinions, and with no instances of noncompliance or reportable transactions. Mrs. Merkel stated that the committee reviewed the estimated losses from the hurricanes and that a FEMA representative has been assigned to the University to assist with the claim recovery process. Mrs. Merkel stated that the committee received the report on IFAS's state-wide loss from the hurricanes, noting IFAS's already-strained financial position. Mrs. Merkel noted that the State Department of Environmental Protection has requested more information on the landfill off of 34th Street and that the State building security assessment on 447 campus buildings had been timely submitted to Tallahassee. Mrs. Merkel reported that the University's Privacy Officer updated the committee on the key elements of the federal health privacy law (HIPAA), the university-wide impact of the law and her efforts to oversee compliance. Next, Mrs. Merkel noted that the University's Chief Audit Executive presented a Sarbanes-Oxley (SOX) gap analysis which prompted the audit committee to endorse the establishment of a SOX subcommittee to review the impact of those suggestions on audit, governance and administration. Mrs. Merkel gave a brief update on PeopleSoft, noting the Bridges Team has continued to rise to the challenges of the software implementation.

Trustee Dianna Morgan delivered the report of the Committee on Educational Policy & Strategy. The committee had three items on its action agenda: eight tenure upon appointment cases; two new degree programs – Doctor of Physical Therapy and Ph.D. in Interdisciplinary Studies; and a fee increase totaling \$1.04. All of these agenda items were recommended for approval in committee, with a dissenting vote by Jamal Sowell on the fee increase. Ms. Morgan reported that the committee discussed AAU comparisons, the University of Florida Alliance Program, Board of Governors accountability measures, and a

quick snapshot of early admissions with applicants continuing to set new record admissions scores.

Trustee Roland Daniels delivered the report of the Committee on Facilities, giving information on the \$14.5M of hurricane damage. Mr. Daniels noted the Facilities Committee approved various agenda items, such as ratification of litigation, revision of emergency powers in hurricane disasters, sale of IFAS property, and University of Florida construction projects. He commented that there was a good discussion regarding deferred maintenance and that a full Board presentation would be scheduled in the future.

Trustee Al Warrington gave a report on the meeting of the Committee on Finance. Mr. Warrington reported that some direct support organizations are not economical and should either be collapsed or consolidated. He also suggested that direct support organizations with heavy cash balances move those funds to state investment programs or be placed with the University's new investment corporation. The committee requested of the administration that financial reports on direct support organizations no longer be sent at one time but rather be sent as they are completed. The status of Bridges was discussed with compliments to administration for an outstanding job under very trying circumstances. The committee decided to postpone review of the UF financial statements in order to have adequate time to consider them. Mr. Warrington reported the approval of minor rule changes regarding traffic and parking and student fees. Mr. Warrington reported that the committee suggested the O'Connell Center lease agreements be changed to require that public events held at the O'Connell Center would include all members of the University community.

Trustee Mac McGriff delivered the report of the Committee on Governance. Mr. McGriff reported that a questionnaire would be sent to direct support and affiliated corporations to help the committee set priorities for their review, and then the remaining entities will be scheduled for review. To implement the Board's Ethics Policy, the committee developed and approved two ethics disclosure statements that will be submitted to trustees and administration on an annual fiscal year basis. The committee determined and reported to the full Board the process to conduct the evaluation of the president for the 2004 calendar year. For future years, Mr. McGriff recommended that a more involved process take place for the benefit of both the board and the president. This process could involve outside consultants, input from additional individuals, and in-depth interactions between the president and trustees. The committee believes it would be beneficial to engage in additional training for the Board, particularly about national and state

trends impacting higher education, and about national experiences on key issues such as graduate education and other strategic issues. It was the committee's view that the inward evaluation of the university's strategic progress is essential and should be the primary focus of the upcoming retreat, but that the retreat possibly should be expanded to include external issues as well.

Trustee Carlos Alfonso summarized the meeting of the Committee on Government Relations briefly, noting that all trustees were in attendance at the Committee on Government Relations meeting.

Trustee Cynthia O'Connell introduced Vice President Jane Adams who delivered a summary of the discussion of the Committee on Public Relations. Ms. Adams provided information about the branding process underway, including the hiring of two consultants who have already started meeting with UF administrators to develop the brand. They will return in January for more meetings and focus groups and will come up with appropriate plans relative to Top 10 status. The new brand will roll out in Fall 2005. Trustee Merkel proposed UF partner with the Gainesville Sun on column space to showcase UF's accomplishments in a "Flagship for Discovery-This Week's Discovery" column. The Board was provided with the public relations accomplishments over the last three years. It was noted UF is one of the few universities that has a concentrated media effort to reach the Spanish language media. Trustee Daniels added that there is a great opportunity to focus on the African American audience as well.

As the next order of business Mr. Fernandez directed the Board to the Consent Agenda. With the exception of consent agenda item 5.4 regarding local fees, the Consent Agenda was approved upon motion of Trustee Warrington. Discussion of agenda item 5.4 followed with Trustee Sowell voicing his opposition to an increase in fees and block tuition. He stressed the importance of monitoring the increase if approved. Mr. Warrington suggested the University may want to undertake a reserve study and after that evaluate future fee increases. Mr. Sowell voted against the fee increase after Mr. McGriff moved approval. The motion was adopted.

Trustee Sowell spoke to the Board about the importance of graduate education at the University of Florida. He noted to trustees that Student Government passed a resolution against the international fee and encouraged the University to look at other ways to cover the costs of implementing Patriot Act provisions.

Mr. Fernandez delivered his comments as Chairman of the Board. He commented on how amazing a place the University of Florida is, from theatre/dance and Neonatal Intensive Care programs to the faculty, staff and students themselves. He commented that the next 90-120 days are critical in the history of the University of Florida and the state regarding devolution and discussed the important role boards of trustees will play during the legislative session in promoting devolution while accepting full responsibility for outcomes after the exercise of that authority. Mr. Fernandez reminded the Trustees of the February 21-22 Retreat in Ft. Myers and briefly outlined the topics of discussion.

The meeting was adjourned.

J. Bernard Machen
Secretary

Pamela J. Bernard
Assistant Secretary