



*Minutes
University of Florida
Board of Trustees Meeting
March 22, 2005*

A regular meeting of the University of Florida Board of Trustees was held on Tuesday, March 22, 2005 at 11:00 a.m. in 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 thanked the Board for their commitment to the University, commenting that they were the most active and committed volunteer board with which he has worked. He welcomed new trustee Courtney Cunningham. Dr. Machen commented on the materials assembled for the meeting and noted that the University of Florida's workload is significant. He noted that much of the work is managed by the vice presidents whom he recognized.

Dr. Machen stated that key university officials are paying attention and devoting time to devolution issues in the Legislature. He noted the companion to devolution is accountability, and that the Legislature's concerns about proper control of the higher education system requires a commitment to accountability by the universities. He reported that through Interim Provost Glover, the University of Florida has shown a willingness to step forward and embrace accountability.

Dr. Machen brought to the attention the upcoming Board of Governors meeting, commenting on the need to fully engage in that board's discussions as it tackles issues from accountability to strategic planning for the system.

Lastly, President Machen commented on the men's basketball team's athletic success, recognizing Athletic Director Jeremy Foley and Head Men's Basketball Coach Billy Donovan.

Mr. Fernandez asked Trustee Joelen Merkel to give a report on the meeting of the Committee on Audit & Operations Review. Ms. Merkel noted recent upgrades to the financial reporting software with additional upgrades to the human resources software expected in April, continued campus-wide training in reporting, more efforts on contracts and grants administration and obtaining current bank reconciliations in anticipation of the fiscal year end. Mrs. Merkel indicated that the committee accepted the audits of the remaining direct support organizations that had not been finalized as a part of the last meeting, that the committee accepted the University's audited financial statements for the year ending June 30, 2004, and that the committee was briefed on hurricane recovery, the 34th Street landfill and crime statistics and safety. Mrs. Merkel reported that the Chief Audit Executive briefed the committee on direct support organization audit activities with anticipated future reports to the committee.

Trustee Dianna Morgan delivered the report of the Committee on Educational Policy & Strategy. Ms. Morgan recognized Joe Glover's work in effecting smooth transition to his Interim Provost status. Ms. Morgan reported that the committee approved five cases of tenure upon hire, four new degree programs, housing rental rates, and approximately 26 proposed rules, noting the withdrawal of Rules 6C1-1.0063, 6C1-1.201 and 6C1-3.061. Ms. Morgan stated that the committee recognized the honorary degree granted to Senator Bob Graham, noting his considerable contributions to the University of Florida and the state of Florida. Ms. Morgan then reviewed in detail the discussion items on the committee's agenda, including the competition for primarily non-resident medical students and its relationship to tuition, the success of the alliance program and the Board of Governors' accountability measures. Ms. Morgan stated that the committee determined learning and criteria measurements should be delegated to the administration, noting that these decisions should be made by those closest to students. Ms. Morgan also reported on the status of accepted admission applicants and the addition of two new departments in the health sciences center.

Mr. Fernandez asked to have clarified that the housing rental increase money does not go toward any sports facilities. It was confirmed that the monies cover capital improvements and operations.

Trustee Sowell asked that the board re-examine the necessity of the international student service charge which is a subject of debate among students.

Trustee Daniels presented the report of the Committee on Facilities by noting several action items before the committee, including proposed rule changes and the removal from the agenda of Rule 6C1-2.001 dealing with firearms. He noted the committee approved the name of the Charles R. Perry Construction Courtyard, discussed the revised capital improvement plan, the bond issue for expansion of baseball facilities and renovation of other athletic facilities, and the construction projects throughout the University of Florida and state, noting they are all on time and going well. Mr. Daniels concluded his report by briefing the board about the purchase of the Bell South Building to be used by the human resources division.

Trustee Al Warrington reported that the Committee on Finance discussed the revised capital improvements program and the UAA bond issue. He noted the committee's request for a statement of anticipated revenues and commented that the committee may consider a flat-fix of the bonds. Mr. Warrington reported that the committee approved certain rule changes and received an update on the cancer and genetics building and proton beam therapy building, both of which are on target and on time. He commented that the committee reviewed financials and by the next meeting would have a full set of financials.

Trustee Mac McGriff gave a report of the Committee on Governance, noting the committee's review of the governance and structure of the University Athletic Association and Gator Boosters, Inc., two of the University's direct support organizations. The committee concluded that the appointment and removal of UAA directors is by the university president and commented that other key indications of proper governance are in place. The committee recommends further examination of the appointment and removal of directors for all component corporations. Mr. McGriff reported that the committee will review at its September meeting the medical faculty practice plan corporations for the Gainesville and Jacksonville plans. Mr. McGriff stated that an outside party will be identified to assist in presidential evaluation for the winter retreat. The committee determined it would make sense to conduct the presidential evaluation on a calendar year cycle, and the board evaluation on a fiscal year basis. Mr. McGriff reported that President Machen is preparing his one and three year goals for consideration and that the committee will discuss these in June.

Trustee Alfonso delivered the report of the Committee on Government Relations by recapping the University of Florida's session priorities such as devolution, flexible funding, PECO funding, physician upper payment limit, matching gifts, enrollment growth and IFAS projects. He updated the Board on the

status of certain bills. Mr. Alfonso reported on several key meetings with legislators in the last few weeks regarding significant issues for the University of Florida. Mr. Alfonso spoke of Congressional visits made by President Machen and Vice President Adams about the University of Florida's federal priorities and noted there will be an in-depth report on federal priorities at the June meeting.

Trustee Cynthia O'Connell summarized the meeting of the Committee on Public Relations. She detailed the media exposure for winter 2004 and introduced the University's brand consultants who later gave a presentation to the board.

Mr. Fernandez next directed the Board to the Consent Agenda, noting the removal of Rules 6C1-1.0063, 6C1-1.201, 6C1-2.001 and 6C1-3.061 in item 5.6. With the exception of those rules, the Consent Agenda was approved upon a motion of Trustee McGriff. Mr. Fernandez then yielded the floor to President Machen who spoke to the Board regarding the Motion in Support of Amending the Class Size Amendment. Upon a motion by Trustee Alfonso, the class size amendment motion was approved.

Mr. Fernandez delivered his comments as Chairman of the Board, mentioning the end of Trustee Sowell's and Trustee Ramond's terms and their contributions to and the excellent relationship they shared with the Board. He also recognized outgoing Trustee Al Thweatt, and then honored each of the outgoing trustees by reading and presenting to them framed resolutions. Upon motion by Trustee Merkel, the resolutions were adopted.

Mr. Fernandez concluded his remarks by commenting that the university continues to make significant contributions to the state and beyond, and stated that the effective board meetings demonstrate how well the Board is working. He noted that the next 14 months will be critical for the University of Florida and thanked Dr. Machen and his staff for their work. Mr. Fernandez adjourned the meeting and turned it over to the branding consultants for a presentation.

J. Bernard Machen
Secretary

Pamela J. Bernard
Assistant Secretary