

Committee on Governance Minutes
University of Florida
Board of Trustees
June 3, 2004

A meeting of the Governance Committee was called to order on June 3, 2004 by Chair Earl Powell. Trustee Mac McGriff moved for approval of the minutes of the March meeting. The motion was adopted.

Trustee Powell reminded the Committee about its governance review responsibility for University Direct Support Organizations and affiliated entities. Mr. Powell introduced Dr. Joe Joyce, Associate Vice President for Agricultural and Natural Resources, who gave a presentation on the following DSOs:

Florida Foundation Seed Producers, Inc.
Citrus Research and Education Foundation, Inc.
Treasure Coast Agricultural Research Foundation, Inc.
Southwest Florida Research & Education Foundation, Inc.

As a result of the review, the Committee recommends that the Florida Foundation Seed Producers, Inc. be left in tact as still relevant to IFAS' work. In regard to the Citrus Research and Education Foundation, Inc., Treasure Coast Agricultural Research Foundation, Inc., and the Southwest Florida Education Foundation, Inc. (all citrus DSOs), the Committee recommended that the Board of Trustees suggest the consolidation of these 3 corporations into one, with the caveat that the Vice President explore with the affected constituent groups this philosophical preference. If there is strong resistance to consolidation, the Committee did not believe the cost of alienation of constituents would justify the streamlining of these corporate structures where a low risk of problems exists.

The Committee also discussed the format for future reviews of support organizations. It was decided that for each of the next four committee meetings a large support corporation would be reviewed – in September, the University of Florida Research Foundation, Inc. The format for that review will focus on why the corporation was formed, its function, a snap-shot of its operations and finances, its governance, and its continued relevance post-devolution. Once the Governance Committee reviews a support organization and finds it to be relevant and appropriate, the Committee on Audit and Operations will review its operations and audit functions to ensure sufficient accountability and control. The Committee also will continue to review smaller support organizations, but with in-depth emphasis on the larger ones.

The Committee considered the adoption of an ethics policy tailored to the Board of Trustees. Although the Committee strongly favors such a policy, it believed a more comprehensive policy for the entire university would be ideal. The committee will discuss in September an amended draft policy, recommendations for the signing of a form by trustees and senior administrators annually, and the identification of a process to address ethics issues for university employees. The process would include appointing an ethics officers (such as the General Counsel, VP for Finance, or chief audit executive) who is available to employees who have questions or who wish to raise concerns. The Committee stressed its active interest in a university-wide ethics policy and commended staff for taking steps to highlight and raise awareness of the strong commitment to ethical behavior among trustees and the administration of the University.

The Committee recalled the development of the President's one-year goals during its March meeting. The Committee decided that in September it will consider and bring to the Board an evaluation process for use when it reviews President Machen's performance against those goals (this year, the President's review is expected in November). The Committee determined that in December it would develop the President's 3-year goals.

The meeting was adjourned.