Chairman Lutgert convened the meeting of the University Board of Trustees with the following members present:

Brian Cobb
Lindsay Harrington
Larry Hart (via teleconference)
Bernie Lester
David Lucas
Scott Lutgert
James Malone
Doug St. Cerny
Jerry Starkey
Jaynie Whitcomb
Brad Piepenbrink
Halcyon St. Hill

Pat Stranahan, Chair, Foundation Board of Directors

Members of Staff Present:

Wilson G. Bradshaw, President
Peg Gray-Vickrey, Interim Provost and Vice President for Academic Affairs
Joe Shepard, Vice President for Administrative Services and Finance
Steve Magiera, Vice President for Advancement
Mike Rollo, Vice President for Student Affairs
Susan Evans, Chief of Staff
Barbara Krell
Kathy Bottoms

Guests: Jennifer Goen, Director, Government Relations
Edward Morton, former Trustee
Vee Leonard, General Counsel

1. Call to Order – Chair Scott Lutgert

Chair Lutgert greeted the Trustees and asked Ms. Evans to call roll which is reflected above. Chair Lutgert welcomed Trustee St. Cerny as a member of the Board of Trustees. He stated that Trustee St. Cerny is well known to all of us for his work on behalf of the University over many years through the Lee County
Commission. Chair Lutgert noted he was the first recipient of Florida Gulf Coast University’s Distinguished Citizen Service Award.

2. Remarks from New Trustee Doug St. Cerny

Trustee St. Cerny thanked Chair Lutgert and stated it was an honor to be here and have this opportunity to serve with all the Trustees, administration, and faculty.

3. Consent Agenda:

Chair Lutgert stated the consent agenda was as follows:

- Minutes of August 25, 2007 Meeting (Addendum A)
- Minutes of September 18, 2007 Meeting (Addendum B)
- Minutes of November 27, 2007 Conference Call Meeting (Addendum C)
- Resolution of Appreciation for Trustee Edward Morton (Addendum D)

Motion was made by Trustee Lucas to approve the consent agenda. Motion was seconded by Jaynie Whitcomb. Motion carried.

4. Presentation of Resolution of Appreciation to Trustee Edward Morton – Chair Scott Lutgert and President Wilson Bradshaw

Chair Lutgert stated that Trustee Morton has been with the Board since the beginning and has made many contributions both insightful and provocative and has been a guiding leader at this University. Chair Lutgert stated we will all miss him as vice chair and will feel a vacuum when he is gone. Ms. Evans read the resolution (Addendum D) into the record. Trustee Morton thanked the Trustees and provided remarks regarding his years of service at Florida Gulf Coast University. He stated he has been accepted on the Board of the FGCU Finance Corporation and will maintain a relationship with the University in this capacity.

5. New Business – Chair Scott Lutgert

Chair Lutgert called on Ms. Leonard, General Counsel. Ms. Leonard advised the Board that she seeks their advice concerning matters on litigation specifically the EEOC versus the Board of Trustees and Johnny McGaha vs. the Florida Gulf Coast University Board of Trustees. Ms. Leonard stated pursuant to Florida Statutes 286.011 subsection 8., she requests this Board meet with her in private so that she might receive the Board’s advice on these matters. Chair Lutgert stated the statutes do allow the Board to meet in Executive Session to cover litigation. He requested the Board meet in Executive Session in room 213 of the Student Union Building and the meeting will take one hour. Chair Lutgert stated that at the conclusion of the Executive Session we will return to this room for the public meeting. He stated the only individuals who are invited to attend
the Executive Session are as follows: Members of the Board of Trustees of Florida Gulf Coast University, including any member who may be attending by phone (in this case Trustee Hart), President Wilson Bradshaw, General Counsel Vee Leonard, outside counsel, Aaron Behar, and Margaret Mevers of Lydecker, Lee, Behar et al, and a court reporter from Donovan Court Reporters.

At 10:20 A.M. the regular meeting reconvened and Chair Lutgert moved new business up on the agenda and asked the Trustees if there is new business to bring before the Board. Trustee Lucas moved to accept the settlement offer discussed in the Executive Session. Motion was seconded by Trustee Malone. Motion carried.

Chair Lutgert stated the Executive Session concluded fifteen minutes ago and he would now call on President Bradshaw to introduce the regular reports.

6. Remarks from FGCU Student Government – President Brad Piepenbrink

President Bradshaw introduced Trustee Piepenbrink who gave the report from the Student Government Association.

7. Remarks from FGCU Faculty Senate – President Halcyon St. Hill

President Bradshaw introduced Trustee St. Hill who updated Trustees regarding faculty activity this semester.

8. Remarks from FGCU Staff Advisory Council (SAC) – President David Vazquez

President Bradshaw introduced Mr. Vazquez who provided an update regarding Staff Advisory Council initiatives.

9. Remarks from FGCU Foundation Board of Directors – Chair Pat Stranahan

President Bradshaw introduced Mr. Stranahan. Mr. Stranahan provided the Trustees with a report regarding the FGCU Foundation Board’s recent accomplishments.
10. President’s Report – President Wilson Bradshaw

Chair Lutgert asked President Bradshaw to provide the President’s Report to the Board. President Bradshaw reported that today marks his 64th day at Florida Gulf Coast University and it has been a very busy and full 64 days. He stated that even though there was a conference call meeting in November, this is his first in-person meeting with the Board. President Bradshaw stated that he and Jo Anna appreciate the very warm welcome they have received. He stated the last time he and Jo Anna were in this room was August 25th and they have great memories of that day. He indicated that Jo Anna has joined the meeting today and asked her to stand. He stated that later in his report, he will discuss some of the key events they have attended.

President Bradshaw expressed appreciation for the able leadership of Dr. Pegnetter, who provided a great service to this institution as Interim President. He asked Dr. Pegnetter to stand and be recognized and thanked Dr. Pegnetter for his counsel during the transition. Dr. Bradshaw also acknowledged Mr. Morton’s service to this Board as one of the first Trustees. He welcomed Trustee St. Cerny to the Board of Trustees and indicated he was in Tallahassee when Trustee St. Cerny was confirmed by the Board of Governors.

President Bradshaw expressed appreciation to Dr. Gray-Vickrey for agreeing to serve as Interim Provost and Interim Vice President for Academic Affairs. He stated that Dr. Gray-Vickrey’s performance in the Division of Academic Affairs as Provost has been exemplary and the Division is doing very well and moving ahead. President Bradshaw thanked Dean Henry as the Chair of the Provost Search Advisory Committee which is comprised of a broadly representative group that includes faculty, student and staff members. He reported the Committee has gathered input from the University community and developed a job announcement that is being advertised nationally this month. He stated the materials will be reviewed beginning in February.

President Bradshaw provided preliminary enrollment data for spring semester as follows:

- Fall 2007 headcount is up 13% over fall 2006 – and fall FTE is up 14% over last year.
- Spring 2008 headcount is 8,992 at this point – subject to drop/add, etc. This puts spring headcount up 14% - and spring FTE up 16% over last year.
- At this point, our annual 2007-08 FTE stands at 5,772 – which is up 15% over last year. President Bradshaw again stressed these are preliminary enrollment numbers.

President Bradshaw reported the state budget outlook for 2008 is not good. Revenue estimates by the state indicate a shortfall of as much as $2 billion vs. the earlier projected $1 billion shortfall. President Bradshaw noted that after July 1, 2007 the SUS institutions, including FGCU, were told to make a 4% budget cut for our current fiscal year (through June 30, 2008). We are hearing that there may be additional budget cuts this fiscal year, but this has not yet been decided. President Bradshaw
stated the Trustees will hear more about the budget from Dr. Shepard and, in part, from Ms. Goen later in the meeting. He stated it will be a particularly challenging legislative session this year.

President Bradshaw reviewed a few key meetings and events that he has participated in during his first 64 days:

- **Donor Activity** – The first morning at FGCU included three gift signing events with donors and he has also had an opportunity to meet with many other donors.
- **Faculty & Staff** – President Bradshaw’s first presentation during the week was to address our faculty and staff. He also has met with a couple of colleges and is in the process of scheduling meetings with all FGCU’s colleges and departments.
- **BOG and SACS** – President Bradshaw reported that recent meetings of the Board of Governors and the Southern Association of Colleges and Schools paved the way for final approval for FGCU to begin offering its first doctorate – the doctorate of Physical Therapy which will begin this fall semester.
- **Meetings with Campus Groups** – President Bradshaw stated he met with the Faculty Senate and the FGCU Chapter of the United Faculty of Florida. He looks forward to meeting various student and staff groups as well.
- **Meetings with Legislators** – President Bradshaw reported he presented FGCU’s Legislative Agenda to the Lee County and Collier County Legislative Delegations and he will continue to nurture relationships with our Legislative Delegation collectively and with individual legislators.
- **Media and Editorial Boards** – President Bradshaw stated he has done a number of interviews with the media throughout Southwest Florida including editorial boards of the Ft. Myers News Press and The Naples Daily News.
- **Alliance of Educational Leaders** – President Bradshaw stated he is enjoying serving on the Alliance of Educational Leaders in Southwest Florida and has had productive conversations with President Walker and other members of that group.
- **Athletics** – President Bradshaw reported that he has enjoyed meeting with the presidents of the other institutions of the Atlantic Sun Conference. He stated this has been an exciting time for FGCU Athletics as we entered the NCAA Division I competition in the fall. He reported he had just returned from the NCAA national convention in Nashville with Athletics Director Carl McAloose and other members of the Athletics staff. President Bradshaw stated we are concluding some of the investigations that we started some time ago in Athletics, and we can anticipate those would be concluded very soon.
• Receptions – President Bradshaw reported that he and Jo Anna have been hosted at approximately one dozen receptions to introduce them to the various communities of FGCU.

• Commencement – President Bradshaw reported that Commencement in December was a wonderful and celebratory event for our graduates and he appreciated that every member of the Board of Trustees attended the ceremony.

• Students – President Bradshaw stated the last highlight of his report is the most important- the reason we are all here: our students. He stated he has enjoyed wonderful opportunities to talk with many of our students- including speaking to an arts class during his first week. He also met with the students of FGCU’s Learning Academy and was told FGCU was their FIRST choice!

11. Academic/Student/Faculty Affairs Committee Meeting – Committee Chair Larry Hart

In the absence of Committee Chair Hart, Chair Lutgert stated he will call on the speakers. Chair Lutgert introduced Dr. Gray-Vickrey to review the action items:

• State University Research Commercialization Grant Program within the 21st Century Technology, Research, and Scholarship Enhancement Act (Addendum E). Motion was made by Trustee St. Hill to approve the State University Research Commercialization Grant Program. Motion was seconded by Brian Cobb. Motion carried.

• Nomenclature Changes for Existing Curricula (Addendum F). Motion was made by Trustee St. Hill to approve the Nomenclature Changes for Existing Curricula. Motion was seconded by Trustee Lester. Motion carried.

• Chair Lutgert asked that General Counsel Leonard present the following item: Ms. Leonard presented the following; Resolution Adopting Pre-existing Rules as University Regulations (Addendum G). Motion was made by Trustee Lester to approve the Resolution Adopting Pre-existing Rules as University Regulations. Motion was seconded by Trustee Whitcomb. Motion carried.

• Chair Lutgert asked that Vice President for Student Affairs, Rollo present the following items:
  Regulation: Student Code of Conduct (Addendum H) – Motion was made by Trustee Starkey to approve the Student Conduct Code. Motion was seconded by Trustee Whitcomb. Motion carried.
  Regulation: Use of Alcoholic Beverages on University Premises (Addendum I) – Motion was made by Trustee St. Hill to approve the Regulation: Use of Alcoholic Beverages on University Premises. Motion was seconded by Trustee Cobb. Motion carried.
Chair Lutgert turned the meeting over to Committee Chair Trustee Lucas. Chair Lucas introduced Dr. Shepard to review the following information only items:

- Finance/Budget Update (Addendum J)
- Unaudited University Financial Statements for Fiscal Year Ended June 30, 2007 (Addendum K)

Chair Lucas requested Dr. Shepard review the following action items:

- Florida Gulf Coast University Foundation Independent Auditor’s Report (2006-07) (Addendum L) – Motion was made by Trustee Harrington to approve the Florida Gulf Coast University Foundation Independent Auditor’s Report (2006-07). Motion was seconded by Chair Lutgert. Motion carried.
- Florida Gulf Coast University Financing Corporation Independent Auditor’s Report (2006-07) (Addendum M) - Motion was made by Trustee Lester to approve the Florida Gulf Coast University Financing Corporation Independent Auditor’s Report. Motion was seconded by Trustee Whitcomb. Motion carried.
- Revised 2008-09 Fixed-Capital Outlay Budget Request (Addendum N) – Motion was made to approve the Revised 2008-09 Fixed-Capital Outlay Budget Request 2008-09 by Trustee St. Hill. Motion was seconded by Trustee Whitcomb. Motion carried.
- Student Loan Practices Code of Conduct (Addendum O) – Motion was made by Chair Lutgert to approve the Student Loan Practices Code of Conduct. Motion was seconded by Trustee Cobb. Motion carried.
- Regulation: Non-Discrimination Regulation and Complaint Procedures (Addendum P). Dr. Shepard asked General Counsel Leonard to review this matter with the Trustees. Motion was made by Trustee Whitcomb to approve the Non-Discrimination and Complaint Procedures. Motion was seconded by Trustee Piepenbrink. Motion carried.

At this time Trustee Hart re-entered the meeting through conference call.

- Regulation: Parking Decal and Permit Fees (2008-2009) (Addendum Q) - Motion was made by Trustee Whitcomb to approve the Regulation: Parking and Permit Fees. Motion was seconded by Trustee Piepenbrink. Motion carried.
- Resolution for Issuance of Revenue Bonds to Finance Parking Garage Phase III, and Associated Infrastructure(Addendum R). Dr. Shepard indicated that after Executive Session, each Trustee
received two new documents: one Tab 19 Parking and the other is Tab 21 Student Housing. He stated that Tab 19 Parking shows modifications to the documents that were sent in the Trustees’ earlier packets. Dr. Shepard stated those modifications are highlighted and are non-material in nature. He stated they are provided to us by the Board of Governors and Division of Bond Finance over last several days and are to supplement the language in the Resolution. This Resolution is followed by other changes to supporting documents such as the Project Summary (use of net revenues instead of gross revenues but this change does not change debt coverage ratio.) Dr. Shepard explained the third item, Estimated Sources of Funds, provides better detail of the bond closing fees, highlighting the cost of the insurance for the bonds. Finally, Dr. Shepard noted an explanation sheet outlining how the University would manage variable debt in light of the economy. He stated that changes in this particular part of the packet have not been reviewed by our General Counsel; however, they were suggested by the General Counsel of the Division of Bond Finance as well as the staff at the Board of Governor’s Office. Trustee Lucas asked that Dr. Shepard address the Wachovia letter. Dr. Shepard explained that in our bond covenants we have a number of positions to meet—the most noticeable one is debt coverage ratio, expenses versus revenue. He stated the Wachovia letter included request for waiver primarily dealing with the parity requirement. He stated the parity requirement takes a closer look at cash flow and how the money regularly comes in and the expense dollars going out affect our debt coverage ratio. Dr. Shepard reported that when we ran our Performa in the first year, because we have money going out while building the facilities and no corresponding revenues coming in from rental payments, there is a negative to the parity text—it dips below the 1.2 debt coverage ratio for that year only. He stated that in order to deal with that, we had to get a waiver from the underwriter, Wachovia, and in this case they have granted this waiver because they do not see that as a material risk to these particular bonds. Trustee Cobb asked if the Board of Governors staff reviewed these items. Dr. Shepard stated they have reviewed the documents, but have not approved them until after the Board of Trustees approves them. Chair Lutgert asked about the safety features included in these garages. Dr. Shepard stated that in addition to the emergency phones there are fire and safety features required by code, including lighting. Motion was made to approve the Issuance of Revenue Bonds to Finance Parking Garage Phase III, and Associated Infrastructure by Trustee Lindsay Harrington. Motion was seconded by Chair Lutgert. Motion carried.
- Student Housing Rental Rates (Addendum S). President Bradshaw asked Dr. Shep­ard to describe some of the amenities which will be placed adjacent to resident halls. Motion was made by Trustee St. Hill to approve the Student Housing Rental Rates. Motion was seconded by Trustee Hart. Motion carried.

- Resolution for Issuance of Revenue Bonds to Finance Student Residences Phase IX, and Associated Infrastructure (Addendum T) - Dr. Shep­ard stated there is another document placed in front of Trustees this morning which is Tab 21 Student Housing which replaces some of the information inside the support materials packet provided to each Trustee on this item. He stated that we have made similar changes to the Housing Resolution as we did with the parking and those are highlighted. Dr. Shep­ard stated the description of the project has been changed from gross revenue to net revenue. He stated that once again this does not change the ultimate debt recovery ratios and other requirements per our debt management policy. Dr. Shep­ard stated that in addition, we have a breakout of the various costs defined in more detail and itemized. He stated the variable rates have been highlighted to show we hedge against that in view of future economic impacts. Motion was made by Trustee Whitcomb to approve the Resolution for Issuance of Revenue Bonds to Finance Student Residences Phase IX, and Associated Infrastructure. Motion was seconded by Trustee Harrington.

- 2007 Educational Plant Survey (Addendum U) – Motion was made by Trustee Harrington to approve the 2007 Educational Plant Survey. Motion was seconded by Chair Lutgert. Motion carried.

- Dr. Shep­ard introduced Ms. Goen, Director of Government Relations, who presented the 2008 Legislative Agenda (Addendum V) Motion was made by Trustee Harrington to approve the 2008 Legislative Agenda. Motion was seconded by Trustee Hart. Motion carried.

- Dr. Shep­ard introduced General Counsel Vee Leonard who presented the Delegation of Authority (Addendum W) – Motion was made to approve the Delegation of Authority by Trustee Hart. Motion was seconded by Chair Lutgert. Trustee St. Hill stated she would like to have some dollar amounts added to this delegation; to contract, $1 million and to limit litigation to $100,000 as it relates to settlement authority. Trustee Hart amended the motion to include Trustee St. Hill’s request. President Bradshaw stated that those caps are caps that are currently in place and are no different than what the Board had approved in the past. Motion carried.
12. Old Business – Chair Scott Lutgert

There was no old business to come before the Board.

13. New Business – Chair Scott Lutgert

Chair Lutgert stated that Mr. Morton was our Vice Chair and he is no longer on the Board of Trustees, so we need a new Vice Chair. Chair Lutgert asked if there was a nomination for a Vice Chair. Trustee Cobb nominated Trustee Hart. Trustee Whitcomb seconded the nomination. Motion carried.

Chair Lutgert stated his term as Chair will end at the termination of this meeting and so the Board will need to make a motion to nominate and elect a new Chair. Trustee Cobb nominated Scott Lutgert as Chair. Motion was seconded by Trustee Whitcomb. Chair Lutgert turned this action over to Vice Chair Hart to conclude the vote. Vice Chair Hart stated there was a motion to nominate Mr. Lugert and that motion has been seconded. Vice Chair Hart asked if there was any further discussion and hearing none, motion carried.

14. Chair’s Closing Remarks & Adjourn Meeting – Chair Scott Lutgert

Chair Lutgert stated the next Board meeting will be Tuesday, April 15th. Meeting adjourned at 11:35 A.M.
Addendums

A. Minutes of August 25, 2007
B. Minutes of September 18 2007
C. Minutes of November 27 2007
D. Resolution of Appreciation for Trustee Edward Morton
E. State University Research Commercialization Grant Program within the 21st Century Technology, Research and Scholarship Enhancement Act
F. Nomenclature Change for Existing Curricula
G. Resolution Adopting Pre-existing Rules as University Regulations
H. Student Code of Conduct
I. Regulation: Use of Alcoholic Beverages on University Premises
J. Finance and Budget Update
K. Unaudited University Financial Statements for Fiscal Year Ended June 30, 2007
L. Florida Gulf Coast University Foundation Independent Auditor’s Report 2006-07
M. Florida Gulf Coast University Financing Corporation Independent Auditor’s Report
N. Revised 2008-09 Fixed Capital Outlay Budget Request
O. Student Loan Practices Code of Conduct
P. Regulation: Non Discrimination Regulation and Complaint Procedures
Q. Regulation: Parking Decal and Permit Fes 2008-2009
R. Resolution for Issuance of Revenue Bonds to Finance Parking Garage Phase III, and Associated Infrastructure
S. Student Housing Rental Rates
T. Resolution for Issuance of Revenue Bonds to Finance Student Residences Phase IX, and Associate Infrastructure
U. 2007 Educational Plant Survey
V. 2008 Legislative Agenda
W. Delegation of Authority