

**THE FLORIDA STATE UNIVERSITY
BOARD OF TRUSTEES
MEETING MINUTES**

Augustus B. Turnbull, III

Room 214

Florida State Conference Center

555 West Pensacola Street

Tallahassee, Florida

Friday, September 7, 2012

9:00 A.M.

Members Present: Allan Bense, Ed Burr*, Susie Busch-Transou*, Joe Camps*, June Duda*, Joe Gruters*, Andy Haggard*, Mark Hillis, Sandra Lewis, Peggy Rolando*, Brent Sembler*, and Rueben Stokes.

(* indicates present via telephone)

I. CALL TO ORDER AND WELCOME

Mr. Allan Bense, Chairman

Chairman Allan Bense called the meeting to order at 9:03 a.m. and Dawn Randle conducted the roll call.

II. APPROVAL OF MINUTES

Minutes of the June 8, 2012 meeting were presented for consideration.

Trustee Duda moved to approve the minutes of the June 8, 2012 meeting as presented. The motion was seconded by Trustee Camps and approved unanimously.

III. ACADEMIC AFFAIRS

Dr. Garnett S. Stokes, Provost & Executive Vice President for Academic Affairs

A. Requesting Approval of Modifications to the 2013 Academic Calendar

Provost Stokes discussed a proposed modification to the Summer 2013 academic calendar which will end the term a week earlier than previously scheduled. This will alleviate the problem of overlapping dates between the summer and fall faculty appointments as well as eliminate mismatches between academic and appointment calendars.

Trustee Sembler moved to approve the recommended modifications to the Academic Calendar. The motion was seconded by Trustee Busch-Transou and approved unanimously.

B. Requesting Approval to Reinstate Anthropology Degree Program at Bachelor's Level.

Provost Stokes discussed a proposal to reinstate the Anthropology degree program at the undergraduate level. According to May, 2011 Department of Labor projections, the job market is expanding for Anthropology. New courses are proposed which will increase the Department of Anthropology's multicultural offerings, many of which also fulfill the University's Liberal Studies elective requirement. No new resources are needed to support the re-establishment of this degree program.

Trustee Camps moved to approve the Reinstatement of the Anthropology Degree Program at the Bachelor's Level. The motion was seconded by Trustee Lewis and approved unanimously.

IV. FINANCE, AUDIT & BUSINESS

Mr. John Carnaghi, Senior Vice President for Finance & Administration

INFORMATION ITEM

Report on the U.S. Department of Health and Human Services Audit

Trustee Mark Hillis

Trustee Hillis reported on the status of an audit by the U.S. Department of Health and Human Services titled "Florida State University Did Not Always Claim Selected Costs Charged Directly to Department of Health and Human Services Awards in Accordance with Federal Regulations and National Institute of Health Guidelines."

Trustee Hillis reported that the audit reviewed sponsored program expenditures and whether the expenditures were in accordance with federal costing principles as specified in federal circular A-21, and also with other specific sponsoring agency guidelines. The auditor disagreed with the University's determinations on a number of salary and non-salary expenditures. Extrapolation was used by the auditor to determine the total amount recommended for disallowance. The University has conceded to \$30,000 without extrapolation; the final audit was adjusted to \$2.9 million from \$5.9 million.

The following timetable applies to the audit:

Audit beginning and entrance conference with the auditor	December 2010
Audit exit conference with the auditor prior to publication of a draft audit report	May 2011
Audit draft report received	November 2011
University response to draft audit	January 2012
Audit final version issued and posted on-line	August 2012
University response to final audit due by	October 9, 2012
Resolution period (up to six months to close out the audit)	April 9, 2013

ACTION ITEMS

Presented by Senior Vice President Carnaghi

B. Requesting Final Approval of Regulation 6C2R-2.024, Tuition and Fees

At the June 8, 2012 meeting, Trustees approved the Fall 2012 Tuition and Fees Regulation amendment. Subsequently, the Board of Governors approved a 13 percent differential tuition rate which is presented for consideration.

Trustee Haggard moved to approve Regulation 6C2R-2.024, Tuition and Fees. The motion was seconded by Trustee Sembler and approved unanimously.

C. Approval of the 2012-2013 Operating Budget

As required by Florida Statute 1011.40(2), the Trustees shall adopt an operating budget for the university. The proposed expenditures, plus transfers, shall not exceed the estimated income, transfers and balances.

Requesting Final Approval of the following Budgets:

1. The 2012-2013 Operating Budget of \$1,094,293,117 including approval for the President to make subsequent changes to the budget as needed during the fiscal year within available resources and fund balances.

Trustee Gruters moved to approve the 2012-2013 Operating Budget. The motion was seconded by Trustee Burr and approved unanimously.

2. Approval of 2012-2013 Direct Support Organization (DSO) Budgets & the Florida Medical Practice Plan Budget

Trustee Busch-Transou moved to approve the 2012-2013 Direct Support Organization (DSO) Budgets & the Florida Medical Practice Plan Budget. The motion was seconded by Trustee Burr and approved unanimously.

D. Requesting Approval of the FY 2013-2014 Fixed Capital Outlay Budget Request

Each year, pursuant to Florida Statutes 216.0158, 216.043 and 1013.64, the Board of Governors requires each college and university to update its Capital Improvement plan (CIP), which is the cornerstone of the annual Fixed Capital; Outlay Budget Request. The CIP is intended to represent the additional academic and academic support facilities needed for a five year period.

Trustee Sembler moved to approve the FY 2013-2014 Fixed Capital Outlay Budget. The motion was seconded by Trustee Hillis and approved unanimously.

E. Requesting Approval to Demolish the Conradi Building

The Conradi building was built in 1956 as a general classroom building and contains approximately 71,000 gross square feet. A Facilities Condition Assessment survey conducted in 2007 determined that the building needed approximately \$11.5 million in repairs, approximately \$13 million in current year values. The University's adopted Campus Master Plan calls for the demolition of the Conradi Building and the construction of a new building for the College of Business. Until such time that funds for the new building are available, the University proposes an interim use of the site as a parking area.

Trustee Camps moved to approve the Demolition of Conradi Building. The motion was seconded by Trustee Stokes and approved unanimously.

V. Requesting Approval of Atlantic Coast Conference Certification

Mr. Randy Spetman, Director of Athletics

Mr. Spetman requested approval of the 2012-13 Atlantic Coast Conference (ACC) Governing Board Certification, which is required annually in order for a member institution to enter a team or individual competitors in an ACC Championship as indicated in Article XI-2 of the ACC Bylaws.

Trustee Haggard moved to approve the ACC Certification. The motion was seconded by Trustee Burr and approved unanimously.

VI. GENERAL COUNSEL

Requesting Approval of Direct Support Organization (DSO) Bylaws

Ms. Carolyn Egan, General Counsel

After discussion the item was tabled until the October 30, 2012 meeting.

VII. Chairman's Report

Requesting Approval of Committee Appointments

Trustee Duda volunteered to remain on the Compensation Committee.

Trustee Busch-Transou moved to approve Committee Appointments as amended. The motion was seconded by Trustee Hillis and approved unanimously.

VIII. **Open Forum for Board of Trustees**

Trustee Sembler requested an update on the Civic Center. Senior Vice President Carnaghi advised that the facility and grounds are now transferred to the University, and that a number of assessments are ongoing including a facility assessment. President Barron established six subcommittees to evaluate various aspects of the facility, each chaired by a member of the Executive Council:

- Placement within the University
- Integration of Operations
- Use Assessment and Potential
- Renovation Needs
- Resource Assessment
- Long-Range Planning

The subcommittees will make final reports no later than January 2013. The Civic Center Authority is expected to exist for another year in order to facilitate the transition.

IX. **ADJOURNMENT**

There being no further business, the meeting was adjourned.

NEXT MEETING

October 29 and 30, 2012

Main Campus