

UWF Business Enterprises, Inc.
Board of Directors Teleconference
Crosby Hall Downstairs Conference Room, B10/131
May 22, 3:00-4:00 p.m.
Agenda – Approved (at Aug. 24, 2012 meeting)

Welcome/Open Remarks/Introductions	Judy Bense, Chairperson Matt Altier, Chief Executive Officer
Call to Order/Agenda	Judy Bense
Roll Call/Quorum	Jay Patel, Secretary (Marie Glass, Staff Support Secretary)

Present

Chair Judy Bense, Vice-chair K.C. Clark (call-in), Secretary Jay Patel, Treasurer John Todorovich, Member Suzanne Lewis (call-in), Member C. Ray Jones (call-in), Chief Executive Officer Matt Altier, Associate General Counsel Pat Lott, and Staff Support Secretary Marie Glass.

Guests: Marvin Beasley (O’Sullivan Creel, call-in), Karen Wright (Sr. VP Servis 1st Bank, call-in), Nate Monroe (Pensacola News Journal); UWF attendees: Lee Gore (General Counsel), Susan Stephenson (Chief Budget Officer), David O’Brien (Business and Property Development), Jim Barnett (Facilities Development and Operations), Angela Wallace and Heidi Thorsen (Administrative Services - VP), Michelle Henderson and Joshua Newby (Communications and External Relations), and Cindy Bookout (Internal Auditing).

Welcome/Open Remarks/Introductions

Chair Judy Bense called the meeting to order at 3:05 p.m. and welcomed everyone to the meeting. Ms. Glass called roll and confirmed that a quorum was present. The Chair turned the meeting over to CEO Altier, who read the proposed action.

Action Items

- 1) Approval of Scenic Hills Golf Club Purchase and Bank Financing.

Staff presented information concerning the proposed purchase of the Scenic Hills Golf Course property and facilities at the BEI Board meeting of April 20, 2012, with the Board approving staff to continue with due diligence, obtain financing, and return with the Purchase Agreement for final approval by the Board. BEI staff believed that the proposed purchase of the property and facilities would be in the best interest of the University to facilitate the development of additional housing and associated amenities serving the students, faculty, and staff of the University.

BEI staff has received a commitment for a conventional loan for financing a portion of the purchase price of the property from Servis1st Bank of Pensacola at a fixed interest rate of 3.95% for three years with monthly payments of principal and interest based on a twenty year amortization period with no pre-payment penalty and which could be re-amortized after one year. Staff estimated that approximately 50% of the purchase price would be available from available cash and would finance \$1.1 million with Servis 1st Bank.

Staff had initially considered financing from a lender requiring Foundation backing for the loan, but staff opted for a shorter-term loan with the lowest possible interest rate provided by a local bank. CEO noted that the plan was for the corporation to establish credit independently, allow for Foundation backing on larger projects more in line with their customary role, and revisit financing after Scenic Hills remains in successful operations for a year or more. Staff also recommended that BEI Board Members be provided a more detailed due diligence report for review.

Following approval by the BEI Board, BEI staff will complete the proposed purchase, including the transfer of all employees, assets, licenses and inventory to begin BEI operations in full on or about July 1, 2012.

Secretary Patel made the motion to adopt the recommended motion of the proposed acquisition of the Scenic Hills Golf Course property.

That the BEI Board (i) authorize staff to proceed with the proposed acquisition of the Scenic Hills Golf Course property; (ii) authorize staff to proceed to closing on the property with the purchase price to be obtained from available cash and a short-term purchase money mortgage loan for the balance from Servis1st Bank of Pensacola; (iii) following receipt by staff of finalized due diligence information, evidence of satisfaction of any remaining contingencies, and approval as to legal form and sufficiency by counsel, authorize the CEO to execute the Purchase Agreement to complete the transfer of assets; and (iv) authorize the CEO to execute and deliver all related and necessary legal and loan documentation to complete the closing of the property acquisition and title transfer to BEI.

Second: Member Jones
Motion passed unanimously.

Following the motion, CEO Altier was asked to provide the next steps in the process. He stated that the BEI Board just approved the purchase of the Scenic Hills property, pending the remaining due diligence. He responded that this item would be brought forth at the next BOT Facilities and Finance Committee meeting, and then at the June 14 BOT meeting, where the Board of Trustees will be asked to approve the financing with Servis 1st Bank. If this follows through, then they anticipate closing on the Scenic Hills property July 1, and that processes were being developed in regards to public relations and communication plans, and the transfer of all licenses and all employees.

No old business was brought forth, so Chair Bense recognized Pat Lott.

Information Items

- 1) Report of Counsel to BEI

Ms. Lott informed the Board Members that the IRS granted BEI's request for 501 (c)(3) status on April 17. She stated that copies of the letter, with the EIN number blacked out, were available to Board Members, or if preferred, a copy could be emailed to them. Ms. Lott also stated that she serves as counsel to all BEI Board Members, and if members have comments or questions, they were to contact her for matters pertaining to the BEI Board.

With no further business, Chair Bense adjourned the meeting at 3:40 p.m.

Respectfully submitted,
Marie Glass, Staff Support Secretary