

**Minutes**  
**Board of Trustees Meeting**  
**University of Central Florida**  
**July 27, 2006**

Chair Richard A. Nunis called the meeting of the Board of Trustees to order in the Cape Florida Ballroom of the Student Union on the University of Central Florida campus at 1:30 p.m. The following members attended the meeting:

The Honorable Judith A. Albertson	The Honorable Conrad Santiago
The Honorable Olga M. Calvet	The Honorable Richard Walsh
The Honorable Manoj Chopra	The Honorable Mark White
The Honorable Patrick Christiansen	The Honorable Thomas Yochum
The Honorable Phyllis A. Klock	

**WELCOME**

Chair Nunis welcomed the board members and called for approval of the minutes of the May 25, 2006, board meeting. Two non-substantive corrections were made in FIN-2 on page 5 to clarify the last line regarding financial aid fees. Trustee Santiago moved that the board approve the corrected minutes as presented. The motion was seconded and the board concurred.

Chair Nunis and the board members extended a heartfelt welcome back to President John Hitt after his illness. Nunis then called upon Hitt for opening remarks.

**REMARKS:**

President Hitt began his remarks by thanking the chair, members of the board, and those in the audience for their prayers, concerns, cards, and calls in response to his recent hospitalization and recovery. He announced that he has been given a release by his doctors to return to full-time work.

Hitt announced that The Carnegie Foundation for the Advancement of Teaching had designated the University of Central Florida as a leadership institute in the Carnegie Academy for the Scholarship of Teaching and Learning. This academy has been leading national efforts to reform teaching methods in the nation's colleges and universities.

Hitt noted that M.J. Soileau, Vice President for Research, reported that the total research funding booked for the year was \$104.4 million, the highest total yet, and the second year in a row that the figure was above \$100 million. He congratulated Dr. Soileau and all of the university's fine researchers, faculty, staff, and students on this tremendous achievement.

## **INTRODUCTIONS**

President Hitt introduced the following outstanding members of the UCF family: **Joyce Dorner**, Interim Dean, College of Health and Public Affairs, replaces Dean Belinda McCarthy, who became the provost at Missouri State University. Dorner will oversee the college's academic programs, as well as the Center for Community Partnerships, Florida Institute of Government at UCF, Florida Center for Nursing, Public Safety Technology Center, Center for Autism and Related Disabilities, and the Communicative Disorders Clinic. Hitt congratulated and thanked Dean Dorner. He also introduced several students: **Jennifer Hartzler**, who graduated magna cum laude this spring with a degree in economics and was awarded a 2006 Gubernatorial Fellowship that provides leadership training to outstanding Florida graduate and undergraduate students interested in public service; **Evelyn Tonn**, a senior and a political science major in the Burnett Honors College, who has been awarded the National Security Education Program's David Boren Undergraduate Scholarship to study Arabic at the University of Jordan for academic year 2006-07; and, **Tracy Fischler** (unable to attend), former UCF track and field standout, who was one of 12 recipients of a Conference USA postgraduate scholarship. A pole vaulter, she was also named to *ESPN The Magazine* Academic All-District Second Team by the College Sports Information Directors of America. And, finally, Hitt congratulated the UCF Employee of the Month for May, **Pat Cook**, who is an administrative assistant in University Audit.

## **COMMENTS AND REPORTS**

In his comments, President Hitt explained that, as a result of suggestions made during the governance workshop on June 23, the board would use a consent agenda for non-controversial board actions. The consent agenda saves time by allowing members to vote on the items as one unit. If, however, two members of the board decide that a specific item needs discussion, they can ask that it be removed from the consent agenda and placed on the regular agenda.

Trustee Phyllis Klock acknowledged the tremendous leadership and service of Provost Terry Hickey while President Hitt was on medical leave. Hitt also thanked the vice presidents and the provost for carrying on the business of the university while he was away.

## **CONSENT AGENDA**

Chair Nunis called for a motion to accept the consent agenda. Trustee Yochum moved that the board accept the consent agenda as presented. The motion was seconded and members of the board concurred. The approved consent agenda included the following items:

- **BOT-1** Conferral of Degrees–Concurrence for awarding the following degrees at the Summer 2006 ceremonies on August 5:
  - 1,973 Baccalaureate Degrees
  - 564 Master’s Degrees
  - 99 Doctoral and Specialist Degrees
  - 2,636 Total
  
- **BOT-2** Revisions to University of Central Florida Parking Regulations– Approval of an amendment to university regulations that creates, for students only, a second level of appeal in the parking citation appeal process administered by the Judicial Branch of the Student Government Association.
  
- **BOT-4** Honorary Doctorate for Rita Bornstein–Approval of an Honorary Doctorate in Humane Letters for Rita Bornstein. UCF wished to recognize Rita Bornstein, President Emerita of Rollins College, as an outstanding educator and leader in the community.
  
- **ADV-1** Board of Trustees Designees to Oversee Selection of Doris H. Lester Scholarship Fund Recipients–Authorization for the vice president of the Division of Student Development and Enrollment Services, in cooperation with the director of the Office of Student Financial Assistance, to act as designees of the Board of Trustees to oversee the selection of recipients for the Doris H. Lester Endowed Merit Scholarship Fund.
  
- **EP-1** 2005-2006 Program Reviews–UCF reviewed twenty programs in three colleges and one office during the 2005-06 program review process.
  
- **FIN-1** Resolution to Invest Funds with the State Board of Administration– Approval of a State Board of Administration Resolution authorizing investments to be made with the State Board of Administration pursuant to Florida Statute 121.151.
  
- **FIN-5** Exclusive Benefit Plan for University President–Approval of a resolution authorizing the adoption of an exclusive benefit plan to provide tax deferral of compensation as authorized by the UCF Board of Trustees for the president of the University of Central Florida.

**GENERAL BUSINESS**

Chair Nunis called on Scott Cole, Vice President and General Counsel, to present the first item for board approval.

- **BOT-3** Collective Bargaining Agreement with Police Benevolent Association - Scott Cole asked Youndy Cook, Associate General Counsel, to present the follow-up report to ratify the reopened articles of the collective bargaining agreement between the Central Florida Police Benevolent Association, Inc., and

the University of Central Florida. The parties entered into an initial three-year agreement that was ratified in March 2005. Pursuant to that agreement, the parties reopened negotiations on wages and one other article in the summer of 2005 for the 2005-2006 contract year. Those negotiations reached impasse and the board settled that impasse on May 25, 2006. Following that decision, the parties prepared a final version of the articles to be presented to the unit members for a ratification vote. That ratification vote was successful. Trustee Yochum moved to ratify the reopened articles. The motion was seconded and the board concurred.

### **COMPENSATION AND ASSESSMENT COMMITTEE REPORT**

Trustee Tom Yochum, chair of the Compensation and Assessment Committee, presented the following item for approval by the board:

- **BOT-6 Compensation and Assessment Committee Report and Recommendations** – Trustee Yochum moved on behalf of the committee to accept the Compensation and Assessment Committee’s report and recommendations to a) endorse the recommended assessment of the president and b) endorse the recommended compensation of the president. The motion was seconded and unanimously approved by the board. President Hitt’s “outstanding” performance review resulted in a contract that will raise his base pay to \$450,000 for an initial three-year term beginning August 1, 2006. The contract will include a one-year extension each year unless Hitt or the board declines it. The board also approved in this motion a one-time \$100,000 bonus for 2005-2006. Under the new contract, Hitt will be eligible for additional bonuses at the end of three years and each year thereafter if certain performance goals are reached in academics, growth, and fund-raising. In accordance with Florida statutes, the salary increases will be provided from non-public funds.

Trustee Chopra stated that he was very happy to support the compensation package for Dr. Hitt and felt that he “is one of the best presidents in the country.” He added, however, that he “hoped the Compensation Committee will also appreciate the efforts of the faculty and staff at the university and that the research milestones and outstanding teaching and service efforts are clear indications of the contributions the faculty has made to the university.” “And lastly,” Trustee Chopra said that he “would like to stress to the board that it is the Faculty Senate that represents the views of the majority of the faculty and not the faculty union.”

### **ADVANCEMENT COMMITTEE REPORT**

Trustee Patrick Christiansen, chair of the Advancement Committee, reported highlights from the Advancement Committee:

- Dan Holsenbeck, Vice President for University Relations, reported that Congress is going through the authorization process for the construction of a veteran’s hospital to be located in Orlando on one of two possible sites: Lake Nona or the

International Corporate Park (ICP). The authorization process is to be followed by Senate concurrence and then it will go on to the appropriations process.

- UCF will host the Florida senatorial debate on campus on November 1, 2006.
- SAT scores submitted to Florida universities were distributed as follows:
  - 33,000 to UF
  - 31,000 to FSU
  - 29,000 to UCF
  - 21,000 to USF
- Bob Holmes, CEO of the UCF Foundation and Vice President for Alumni Relations and Development, reported that June 30, 2006, marked the end of the eight-year *Central to Our Future* capital campaign. The campaign figures are still being finalized.

### **FINANCE COMMITTEE REPORT**

Trustee Conrad Santiago, chair of the Finance Committee, reported that the following topics were discussed during the morning meeting of the Finance Committee:

- Convocation Center update
- arboretum, environmental center, and burn program
- support agreement fund balances
- operating budget status report

In addition, Trustee Santiago noted that the expectation is that if the downtown EXPO Center project goes well, the School of Film and Digital Media will move into its facility by 2007. By 2009, approximately 400 students will be housed in the adjacent facility, currently the Orlando Marriott Downtown. A teleconference meeting of the Board of Trustees will be scheduled for August 14 or 15, 2006, to discuss the lease agreement between UCF and Marriott and complete the financial details of the project. Information will be mailed to the board a week prior to the meeting.

And, finally, Trustee Santiago presented the following items for board action:

- **FIN-2** Five-year Capital Improvement Plan – Each year, the university submits an updated capital improvement plan to the Board of Governors, identifying projects that will be included in the three-year Public Education Capital Outlay (PECO) list and those that may be included in future Courtelis Facilities Enhancement Challenge Grant lists, and providing information to the State Board of Education for its request for capital project funding. Trustee Santiago recommended that the board accept the university's capital improvement plan for 2007-2008 through 2011-2012 with an amendment to include an additional \$5 million for the proposed Hubbs-Sea World Research Institute. Trustee Mark White moved to accept the amended plan and asked that consideration be given to reversing the priority of the Engineering Building I renovation and the Howard

Phillips Hall renovation on the project list. Because these projects will not be affected until years two and three of the plan, the request will be researched and a report will be brought back to the board at a future meeting. The motion was seconded and the board concurred.

- **FIN-3** Revised 2007-2008 Legislative Budget Request – Trustee Santiago moved to approve the revised list of budget priorities for the 2007-2008 Legislative Budget Request. The chancellor of the State University System asked for budget priorities for the 2007-2008 legislative budget requests and the UCF Board of Trustees approved a list of requests at its May 25, 2006, meeting. After subsequent discussion, the board identified several additional initiatives. The motion to approve the revised list was seconded and the board concurred.
- **FIN-4** Financing Documents for the UCF Football Stadium–Trustee Santiago moved to approve the revised resolution, support agreement, and ground lease for financing of the campus football stadium. On May 26, 2006, the board approved a resolution, support agreement, and ground lease for the campus football stadium financing. Subsequent to that approval, an appeal of the final order approving the stadium amendment to the campus master plan was filed with the Fifth District Court of Appeals. In order to close on the financing while the appeal is pending, the bond insurer requires that certain documents be revised to clarify that the university will reimburse any draws made from the debt service reserve fund during the term of the financing, even if the stadium is not operational. The motion to approve the financing documents was amended to substitute the bond insurer, CIFG Assurance North America, Inc., with the bond insurer, MBIA Insurance Corporation, and to authorize the president, on behalf of the Board of Trustees, to make any minor changes that may be necessary to complete these documents. The motion was seconded and the board concurred.

Chair Nunis congratulated Scott Cole, Vice President and General Counsel, and William Merck, Vice President for Administration and Finance, on the acquisition of financing for the UCF football stadium. The audience joined in a standing ovation.

### **EDUCATIONAL PROGRAMS COMMITTEE REPORT**

Trustee Judy Albertson, chair of the Educational Programs Committee, reported on the discussions in the Educational Programs Committee.

- **Summary of 2005-2006 Program Reviews**–The university program review committee reviewed twenty programs leading to four doctoral, five master’s, and eleven bachelor’s degrees. Academic Affairs offered a program review workshop on July 24, 2006, to discuss the results of this year’s reviews. The colleges decided to enhance eight bachelor’s degree programs, five master’s degree programs, and four doctoral degree programs, maintain two bachelor’s degree programs, and eliminate one bachelor’s degree program. Trustee Albertson acknowledged the work of the college deans and their staffs, the program review

committee, and the Academic Affairs staff members who assisted with the process.

- In June of 2001, the Hubbs-Sea World Research Institute and UCF executed a memorandum of agreement designed to advance a common interest in marine science and education. Discussions are now underway to expand the existing relationship to include joint development of coastal properties in Brevard County. This development would support the design, construction, and operation of joint coastal laboratories to be used for research and education.
- Educational Testing Service announced that six colleges were invited to join the national advisory committee for the company's Information and Communications Technology Literacy Assessment. UCF is one of the six new member institutions that will be represented by Penny Beile, Department Head, Curriculum Materials Center, and Dr. Denise L. Young, Associate Vice President, Planning and Evaluation. UCF's membership will help shape the future uses of the test as well as gain visibility for UCF's Quality Enhancement Plan (QEP). UCF has also been asked to write a best practices guide for the use of the literary assessment. Young, Beile, and two leaders of the QEP team, Dr. Charles Dziuban and Dr. Martha Marinara, were interviewed for an article on UCF's joining ETS by the *Orlando Business Journal*. *Time Magazine* has also been interviewing staff members at ETS and is exploring the possibility of running a story on the concept of literary assessment, a major component of UCF's QEP in Information Fluency.

### **NEW BUSINESS**

Chair Nunis reviewed the committee assignments including the newly formed Audit and Operations Review Committee and the two *ad hoc* committees.

### **ANNOUNCEMENTS AND ADJOURNMENT**

Chair Nunis reminded the board members of the following calendar items:

- Board of Governors' meeting will be August 9-10 in the Student Union
- Board of Trustees' retreat will be September 21-22 at the Mission Inn
- next Board of Trustees' meeting will be September 28

With no further business to discuss, Chair Nunis adjourned the board meeting at 2:30 p.m.

Respectfully submitted: \_\_\_\_\_ Date: \_\_\_\_\_

John C. Hitt  
Corporate Secretary