

**Minutes
Board of Trustees Meeting
University of Central Florida
November 29, 2007**

Chair Richard Walsh called the meeting of the Board of Trustees to order in the Live Oak Center on the University of Central Florida campus at 1:00 p.m. The following members attended the meeting:

The Honorable Judith A. Albertson
The Honorable Olga M. Calvet
The Honorable Manoj Chopra
The Honorable Patrick Christiansen
The Honorable Alan Florez
The Honorable Brandie Hollinger

The Honorable Phyllis Klock
The Honorable Richard Nunis
The Honorable Harris Rosen
The Honorable Conrad Santiago
The Honorable Thomas Yochum

WELCOME

Chair Walsh welcomed the board members and called for approval of the minutes of the September 20, 2007, and November 6, 2007, board meetings. Trustee Christiansen had previously advised that his attendance was not noted in the November 6 minutes, and that oversight had been corrected. Since no additional changes were requested, the minutes were approved.

Chair Walsh announced that the Florida Board of Governors' meeting originally scheduled for Tuesday, December 4, had been cancelled. He also thanked Trustee Alan Florez for his work as chair of the Advancement Committee in developing the role and structure of the committee, and he thanked Trustee Phyllis Klock for her work as chair of the task force on the Board of Governors' strategic plan, *Forward by Design: Key SUS Initiatives to Advance Florida's Higher Education*.

Chair Walsh called on Trustee Florez to introduce Florida State Representative Chris Dorworth, who succeeded State Representative David Mealor of District 34. Dorworth proposed to be an active advocate for UCF and was interested in moving the university forward with the support of the state.

Chair Walsh called on President John Hitt for opening remarks and introductions.

REMARKS AND INTRODUCTIONS

President Hitt introduced the following members of the audience: **Dr. M.J. Soileau**, Vice President for Research and Commercialization, who received the Esther Hoffman Beller award in September 2007 from the Optical Society of America for "outstanding contributions to optical science and engineering education—and specifically for establishing CREOL, the Center for Research and Education in Optics and Lasers, as a major optics center." He also recognized **Dr. Henry Daniell**, who is a Pegasus Professor

and holder of a Trustee Chair in Molecular Biology and Microbiology and a professor in the Burnett School of Biomedical Sciences within the College of Medicine. Dr. Soileau and Dr. Daniell were both elected fellows of the American Association for the Advancement of Sciences. Dr. Soileau was honored for his “distinguished research contributions and leadership in the field of lasers and optical engineering.” Dr. Daniell was honored for his “distinguished contributions to the field of chloroplast genetic engineering, to the development of transgenic plants with agronomic traits, and to the field production of vaccine antigens and biopharmaceuticals.” And, finally, Hitt announced that the UCF Employee of the Month for September was **Saul Santiago**, a senior engineer in Physical Plant, and that the UCF Employee of the Month for October was **Johnny Hill**, a technical assistant supervisor in the library. Hitt asked the audience to join him in congratulating these outstanding members of the UCF family.

CONSENT AGENDA

Chair Walsh called for approval of the consent agenda. A motion was made by Trustee Thomas Yochum and passed by the board. The approved consent agenda included the following items:

- **BOT-1 Repeal of Redundant Rules** – Approval of the repeal of rules that are duplicative of and in conflict with existing university regulations regarding location, organization, academic, administrative and financial affairs, and miscellaneous provisions.
- **BOT-2 Conferral of Degrees** – Concurrence for conferral of degrees at the Fall 2007 commencement ceremonies:
 - 2,984 Baccalaureate Degrees
 - 635 Master’s Degrees
 - 125 Doctoral and Specialist Degrees
 - 3,744 Total
- **BOT-3 Revised BOT Committee Assignments** – For information only, the board received a revised list of committee assignments reflecting the two newly-established committees:
 - Nominating Committee
 - Phyllis Klock, chair
 - Judy Albertson, Manoj Chopra, Brandie Hollinger, Al Weiss, and Thomas Yochum, committee members
 - Beth Barnes, staff
 - Facilities Planning Committee
 - Pat Christiansen, chair
 - Olga Calvet, Dick Nunis, Harris Rosen, and Thomas Yochum, committee members
 - William Merck, staff

- **EP-1 New Degree Program Proposals** – Approval of the following new degree program proposals:
 - a. Master of Arts in Applied Learning & Instruction
 - b. Master of Science in Digital Forensics
 - c. Master of Science in Technology

- **ADV-1 Naming of the *Siemens Energy Center*** – Approval of the naming of UCF Building 44 the *Siemens Energy Center*. This College of Engineering and Computer Science laboratory facility is operated by the Department of Mechanical, Materials, and Aerospace Engineering. The naming was requested to recognize the donor’s gift for construction of the laboratory expansion.

ADVANCEMENT COMMITTEE REPORT

With no action items to report, Trustee Alan Florez, chair of the Advancement Committee, reported highlights from the committee meeting.

In response to a charge from the Governance Structure and Process Review Committee, the Advancement Committee has begun the process of developing its mission and charter that will focus on the following three areas:

- engaging the board to assist with government relations, university relations, and public policy on a more meaningful level
- assisting with efforts to formalize participation among the board for university development
- establishing a report card for trustees to evaluate the contributions and key goals of the committee

The intent of the process is to lay the groundwork for the committee’s culture.

AUDIT AND OPERATIONS REVIEW COMMITTEE REPORT

Trustee Olga Calvet, chair of the Audit and Operations Review Committee, reported on the discussions in the committee meeting.

A meeting was held by Chair Calvet, Vice President and General Counsel, Scott Cole, and Director of University Audit, Amy Voelker, to review the committee’s performance during its first year of existence. They determined that the committee had met its obligations as stated in its charter. Continuing goals included:

- reviewing the system and monitoring compliance within the university
- reviewing conflict of interest policies

The next committee meeting was scheduled for December 7. At that time, the committee will review approximately 6 audited financial statements and schedule its 2008 meeting dates.

FINANCE COMMITTEE REPORT

Trustee Conrad Santiago, chair of the Finance Committee, reported on the discussions in the committee meeting:

- All budget activities within the operating budget are running at the expected rate.
- The College of Medicine reported some fast-paced expenditures because of start-up hiring activity and equipment purchases.
- Macro-tracking is being performed at the divisional level, with more detailed budget tracking done at the departmental level, to allow problem detection on a month-to-month basis.
- The personnel budget is tracked on a bi-weekly basis against salary projections.
- The Finance Committee requested that it review monthly reports of all expenditures and revenues that result in a variance. The committee recommended that a variance report be developed to reveal out-of-range items of the anticipated expenditure or revenue numbers.
- Energy conservation efforts are ongoing with programs in place to monitor energy consumption.
- As a result of the state-ordered budget reduction, the operating budget was reduced by \$9.8 million.
- Provost Hickey warned of the possibility of another budget cut next year.
- The university has \$17 million in reserves to cover the current budget cut and a possible additional 4% without affecting the university's operating budgets that had already been approved for the year.
- The committee reviewed all of the DSOs' quarterly financial reports and all of the DSOs' annual budgets, the exception to which was the Foundation whose annual budget was not available because of year-end timing issues.
- At the request of Trustee Patrick Christiansen, the Support Agreement Fund Balances Report now reflects cash balances rather than fund balances.

Trustee Santiago reported that university cash reserves are deposited into two different investment funds: the State Board of Administration (SBA) and the Special Purpose Investment Account (SPIA). The SBA-managed fund was recently reported as having liquidity problems. As a result, a number of county and government agencies began withdrawing their funds from their SBA accounts. At that time, UCF's cash reserves deposited with SBA totaled approximately \$250 million.

Prior to the report, the Finance Committee under the direction of William Merck, Vice President for Administration and Finance, began transitioning some of the money into the SPIA account as a safety measure. As more concerns surfaced regarding SBA, an order was placed to move all cash reserves from SBA to SPIA to avoid any losses. Merck reported that the funds had been successfully transferred.

President John Hitt took the opportunity to introduce Coach George O'Leary and Athletics Director Keith Tribble to the board and audience. Coach O'Leary was named Conference USA Coach of the Year. Hitt congratulated both O'Leary and Tribble on a

great football season and expressed excitement about the upcoming game on Saturday and the hope of winning a C-USA title.

NOMINATING COMMITTEE REPORT

Trustee Phyllis Klock, chair of the Nominating Committee, reported that the Nominating Committee had not yet met.

Trustee Klock, also chair of the *UCF Forward by Design* Task Force, reported on the document the task force produced and the discussions the group had with Carolyn Roberts, chair of the Florida Board of Governors. Roberts participated in the review of the position statements developed by the task force and engaged in discussions that resulted in the modification of the position statements. She also lent her support to the initiatives that she would like to see carried forward. The most significant of those discussions were those on the approval process of master's degree programs. Trustee Klock reported that UCF had an opportunity to put forth its best practices and proposals on effective program evaluations.

After thanking the task force members for all of their hard work, Chair Klock reported that revisions would be made to the document and discussed via a telephone conference call on Monday, December 3, and that the revised final document would be delivered to the chair of the Board of Governors, members of the Board of Governors, and the chancellor in time for the Board of Governors' meeting on Wednesday, December 5.

President Hitt suggested some presence from the UCF Board of Trustees would be greatly appreciated at the Wednesday afternoon and Thursday morning BOG meetings on December 5 and 6. Chair Walsh requested that committee chairs or their designees try to attend the meetings.

NEW BUSINESS

President Hitt mentioned several handouts at the board table consisting of graphs and tables showing State University System statistics through 2006 that were provided by the chancellor at the August Board of Governors' meeting. Hitt wanted the board to see how UCF compared to the other state universities. "Although we are doing well," Hitt reported, "we are always striving to do better."

ANNOUNCEMENTS AND ADJOURNMENT

The next regularly scheduled board meeting will be January 17, 2008. The Board of Governors will meet in the Live Oak Center on December 5-6.

At the adjournment of the meeting, the Facilities Planning Committee met in the Live Oak Center.

With no further business to discuss, Chair Walsh adjourned the board meeting at 2:10 p.m.

Respectfully submitted: _____ Date: _____

John C. Hitt
Corporate Secretary