

Minutes
Board of Trustees Meeting
University of Central Florida
January 22, 2009

Chair Richard Walsh called the meeting of the Board of Trustees to order in the Live Oak Center at 10:58 a.m. The following members attended the meeting:

The Honorable Judith Albertson
The Honorable Logan Berkowitz
The Honorable Manoj Chopra
The Honorable Micky Grindstaff

The Honorable Phyllis Klock
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 November 13, 2008, board minutes, which were approved as written.

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

REMARKS AND INTRODUCTIONS

President Hitt announced that *The Princeton Review* listed UCF among its “Best Value Colleges for 2008.” The list includes 50 public and 50 private institutions chosen for their outstanding academic programs, low-to-moderate tuition and fees, and generous financial aid packages.

Hitt reported that National Merit Scholar finalists enrolled in 368 colleges and universities this fall. UCF enrolled a record 62 National Merit Scholar finalists, which places it 34th in the nation.

Hitt announced that in 2005 the Carnegie Foundation revised its classification system and introduced elective classifications. For its first elective classification, “Community Engagement,” the foundation created two categories, “Curricular” and “Partnership.” UCF was awarded classification in both categories. A team of 33 UCF professionals worked with Dr. Rick Schell on the application.

Hitt remarked that UCF was recognized as the *2008 Most Engaged Institute of Higher Education in Florida* by Florida Campus Compact, an organization that promotes academic and civic engagement.

Hitt reported that UCF received two awards for service to the community at the annual Mid-Florida Business Hall of Fame event hosted by Junior Achievement of Central Florida. He was honored with this year’s Spirit of Achievement Award. A letter from President Bush bestowed the President’s Volunteer Service Award on UCF, a national recognition of UCF as the largest university partner of Junior Achievement in the world.

Hitt explained to the board that UCF's leadership team continues to work on managing the budget. Should program reductions or eliminations be necessary, UCF will protect:

- the interests of students
- the talent and productivity of our faculty and staff
- programs of critical importance to Central Florida and its economy
- programs that enable us to attract and retain the brightest and best
- programs and activities that generate significant net income.

Hitt stated that he hoped to avoid implementing the plan, but prudence required the development of contingency strategies.

Hitt cited research indicating that class size has an effect on student success in skills classes, such as English and mathematics. Therefore, the university has decided to fund an initiative to support smaller classes in English composition and college algebra. English composition classes will be reduced from 27 students to 25 students per section. In a pilot study, eight sections of nineteen students each will permit an assessment of student-learning outcomes in sections with significantly fewer students. The University Writing Center will also receive additional support. College algebra classes will meet only once a week in lecture classes, with the remaining contact hours spent in lab classes that will emphasize faculty interaction and applied-math problems. He stated that even in bad budget times, the university intends to use some of its differential tuition dollars to create new opportunities for its first-year students.

Hitt recognized members of the UCF community. **Dr. Jose Fernandez**, dean of the College of Arts and Humanities, was appointed by President Bush to serve on the White House Commission on the Hispanic Museum, which will explore the creation of a national museum dedicated to American Latinos. Dean Fernandez was chosen because of his demonstrated commitment to the research and promotion of United States Latino life, art, culture, and history.

Dr. Rosalyn Howard, associate professor of anthropology, has been invited by the president of Senegal to join its Commission for History and Importance. Dr. Howard will assist in the planning and development of the 3rd World Black Art Festival to be held in Senegal in December 2009.

Dr. Erik Van Stryland has stepped down as the dean of the College of Optics and Photonics, previously known as CREOL, and returned to teaching and research. Dr. Van Stryland was named director of CREOL in 1999, and he later became the founding dean of the College of Optics and Photonics, the first such college of its kind in the United States. Hitt thanked Dr. Van Stryland for his outstanding service and dedication to the college and the university.

Hitt then welcomed **Dr. Bahaa Saleh**, Dr. Van Stryland's replacement as dean for the College of Optics and Photonics. Dr. Saleh received a B.S. degree from Cairo University in 1966 and a doctorate from Johns Hopkins University in 1971, both in electrical engineering. Most recently, he has been professor and chair of the Department of

Electrical and Computer Engineering at Boston University. He is a recipient of the 2008 Distinguished Service Award from the Optical Society of America.

Hitt welcomed **Dr. Marwan Simaan**, the first National Academy of Engineering member to join the UCF faculty, who has been appointed interim dean of the College of Engineering and Computer Science. Dr. Simaan joined UCF in Spring 2009 after a 32-year career at the University of Pittsburgh.

Hitt announced that the Employee of the Month for October was **Kathy McGovern**, a printing manager in Business Services; the Employee of the Month for November was **James Michael Reaves**, a senior broadcast-engineering technologist in the Office of Instructional Resources; and the Employee of the Month for December was **Debra Urban**, an executive administrative assistant in Student Development and Enrollment Services. He asked the audience to join him in congratulating all of these outstanding members of the UCF family.

CONSENT AGENDA

Trustee Yochum, vice chair of the board, moved the acceptance of the consent agenda, and members of the board concurred:

- **BOT-1 Revision to the Performance Unit Plan Awards for 2008-2011** – Approval to correct a scrivener’s error in the 2008-2011 Performance Unit Plan Awards submitted by the Compensation and Labor Committee and approved by the Board of Trustees on November 13, 2008.
- **BOT-2 Operations and Procedures: Appointment of Associate Corporate Secretary** – Approval of the president’s designation of Dr. John Schell as associate corporate secretary to the University of Central Florida Board of Trustees.
- **EP-1 2010-2011 Proposed Academic Calendar** – Approval of the 2010-2011 UCF Academic Calendar.

GENERAL BUSINESS

- **BOT-3 Allocation of 2008-2009 Operating Budget Reduction** – A motion was made by Trustee Yochum and passed by the board approving the allocation of the 2008-09 operating budget reduction for the university and the medical school. During its special session, the legislature approved a 4 percent reduction to the 2008-09 operating budgets for the university and medical school. If the proposed budget is approved by the governor, the combined reduction for the university and medical school will be \$11,134,969.

ADVANCEMENT COMMITTEE REPORT

Trustee Judy Albertson, acting chair of the Advancement Committee, reported the highlights from the committee meeting:

- Dan Holsenbeck, Vice President for University Relations, gave a legislative update and speculated that there will be another state budget cut for higher education next year. He indicated that a federal stimulus plan could help avert at least some school budget cuts in Florida. He encouraged the board members to lobby for available funds for UCF.
- Holsenbeck also announced that Congresswoman-elect Suzanne Kosmas would take the oath of office on Saturday, January 24, 2009, at the *FAIRWINDS* Alumni Center.
- Thomas Messina, Associate Vice President for Alumni Relations, reported on the UCF Alumni Association. He indicated that the Alumni Association coordinates 44 chapters and clubs, sponsors 200 events a year, and works with 1,200 volunteers. A trustee suggested that Messina look into building a platform for Web-based fund-raising capabilities like those used in the recently successful Obama presidential campaign.
- Thomas Huddleston, Vice President for Marketing, Communications, and Admissions, presented a UCF TV promotional video that can be seen on Bright House Networks digital cable Channel 1 and Channel 300 of the video-on-demand service. He reported that UCF TV shows include *Money Talk\$ America* hosted by Dr. Sean Snaith, director of the Institute for Economic Competitiveness, and *UCF SportsKnight*. He also announced that representatives from *NBC News with Brian Williams* are working with UCF News and Information to gather research for a feature story about the UCF medical school.

AUDIT AND OPERATIONS REVIEW COMMITTEE REPORT

Trustee Conrad Santiago, acting chair of the Audit and Operations Review Committee, reported the highlights from the committee meeting:

- At the December 5, 2008, meeting of the Audit and Operations Review Committee, the UCF direct support organizations presented their audited financial statements. No management letter comments were noted for any of the organizations.
- Both the UCF Research Foundation and the UCF Foundation are contemplating the Certificate of Deposit Registry System (CDARS) as an investment vehicle.
- Trustee Olga Calvet will respond to the Board of Governors about its Audit Committee Charter and its Inspector General Charter.
- Scott Cole, Vice President and General Counsel, presented the committee with an update on pending litigation.

EDUCATIONAL PROGRAMS COMMITTEE REPORT

Trustee Judy Albertson, chair of the Educational Programs Committee, reported the highlights from the committee meeting:

- Maribeth Ehasz, Vice President for Student Development and Enrollment Services, gave a presentation entitled “Empowering Students to Succeed by Adding Values.” Ehasz stated that the mission of Student Development and Enrollment Services is to empower students to succeed by providing learning opportunities that support the core values of the UCF Creed. She invited four students to share their LEAD Scholars experiences.
- Effective December 19, 2008, UCF became a member of the University Leadership Council sponsored by the Advisory Board Company, based in Washington, D.C. The council provides provosts and senior academic administrators with best-practice studies, an online research database, and access to custom research.

FACILITIES PLANNING COMMITTEE REPORT

Chair Walsh reported that the Facilities Planning Committee had not met since the last board meeting.

FINANCE COMMITTEE REPORT

Trustee Conrad Santiago, chair of the Finance Committee, reported the highlights from the January 7, 2009, committee meeting and presented the following items for board approval:

- Dr. Ehasz reported that UCF now owns the Sigma Phi Epsilon house and will purchase the Sigma Alpha Epsilon house within the next two weeks. Applications from prospective occupants for both Greek houses are being accepted.
- Vanessa Fortier, Associate Vice President for Administration and Finance, stated that the number of credit hours in which students are enrolled is 4.3 percent higher than it was this time last year, E&G expenditures are lower than in FY 2008 because of reduced spending in the university, and Sponsored Research revenues continue to grow. She also reported that student financial aid had an overall increase of \$19 million in revenues and \$17 million in expenditures resulting from increased Stafford Loans.
- William Merck, Vice President for Administration and Finance, reported that UCF bond insurers require at least 2.0 times the number of legally available funds to replenish its annual debt service reserve. UCF currently has 7.4 times the amount required.
- Merck reported that a request for proposals for an investment advisor for the university’s cash balances has been submitted, and responses are due in early February 2009. A committee, including trustees, will interview the finalists.

- Quarterly financial reports were presented to the committee by the university's direct support organizations: Golden Knights Corporation, UCF Athletics Association, Inc., UCF Convocation Corporation, UCF Finance Corporation, UCF Foundation, and the UCF Research Foundation. Detailed discussions followed the presentations.
- **FIN-1 Establishment of a Technology Fee** – A motion was made by Trustee Conrad Santiago and passed by the board to approve the establishment of a technology fee in accordance with the Florida Legislature amended Section 1009.24, F.S. The board approved the fee at 5 percent of current tuition to be implemented effective Fall 2009. This technology fee shall not be included in any award under the Florida Bright Futures Scholarship Program. A technology fee committee and guidelines for the allocation and use of the technology fee resources will be established prior to the implementation of the fee.
- **FIN-2 2009-2010 Student Activity and Service, Health, Athletic, and Transportation Access Fees** – A motion was made by Trustee Santiago and passed by the board to approve increases in the Activity and Service Fee, Athletic Fee, Health Fee, and Transportation Access Fee, effective Fall Semester 2009.
- **FIN-3 2009-2010 Parking Decal Fee** – A motion was made by Trustee Santiago and passed by the board to approve a 5 percent increase for 2009-2010 parking decal fees.
- **FIN-4 2009-2010 Medical Student Tuition and Fees** – A motion was made by Trustee Santiago and passed by the board approving the 2009-2010 Florida resident tuition and fees schedule, as well as the out-of-state tuition and fees schedule for the College of Medicine.
- **FIN-5 2009-2010 Housing Rental Rates** – A motion was made by Trustee Santiago and passed by the board approving an average rental rate increase of 4 percent for UCF on-campus housing for 2009-2010.
- Chair Walsh thanked Trustee Santiago and his team for providing detailed information regarding the estimated annual impact of fees on resident undergraduate students and the estimated amount of revenue those increases will generate. Santiago summarized the fee increases, effective Fall Semester 2009, as follows: for an undergraduate student taking 21 credit hours per year, the average increase will be approximately \$860; for a student taking 28 credit hours per year, the impact will be approximately \$995; and for a student taking 30 credit hours per year, the impact will be approximately \$1,033.

NOMINATING COMMITTEE REPORT

Trustee Phyllis Klock, chair of the Nominating Committee, reported that the committee had not met since the last board meeting.

ANNOUNCEMENTS AND ADJOURNMENT

The Board of Trustees' retreat is scheduled for February 20, 2009, at the Hyatt Regency Hotel at the Orlando International Airport.

The Board of Governors' meeting will be held February 26, 2009, by telephone conference call.

The next Board of Trustees' meeting will be March 19, 2009.

Chair Walsh adjourned the board meeting at 11:44 a.m.

Respectfully submitted:  Date: 3/3/09
John C. Hitt
Corporate Secretary