

**Minutes
Board of Trustees Meeting
University of Central Florida
January 18, 2007**

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 2:30 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 Phyllis A. Klock

The Honorable Harris Rosen
The Honorable Conrad Santiago
The Honorable Richard Walsh
The Honorable Mark White
The Honorable Thomas Yochum

WELCOME

Chair Nunis welcomed the board members and called for approval of the minutes of the November 30, 2006, and the December 20, 2006, meetings. The board approved the minutes as submitted.

Chair Nunis called upon President John Hitt for opening remarks.

REMARKS:

President Hitt began his remarks by congratulating the UCF cheerleading squad, under the direction of Coach Linda Gooch, for winning the national championship at the College Cheerleading and Dance Team Nationals at Disney's Wide World of Sports. It was the cheerleading team's second national championship since first winning the title in 2003. UCF's KnightMoves dance team placed 7th in the nation in the dance division.

He referenced a report prepared by the Pappas Consulting Group that had been engaged by the Florida Board of Governors to help the board address the master plan of the State University System. Hitt indicated the report suggested that UCF might want to consider becoming an "undergraduate-only institution." He encouraged the members to review the report and stated that preliminary discussions would take place at the Board of Governors' meeting at Florida Atlantic University next week and then again at the Board of Governors' public hearing and workshop being held at UCF on Tuesday, February 27, 2007.

Hitt announced that a letter from the Southern Association of Colleges and Schools, Commission on Colleges reaffirmed UCF's accreditation with "no additional report requested," which is an outstanding accomplishment for the university. He congratulated and thanked Associate Vice President Denise Young and her team for a job well done.

And, finally, Hitt referenced a handout entitled *How UCF Beat Us*, written by David Lee, chair of the Biology Department at FIU. He indicated that the article contained an interesting set of perceptions of our university and encouraged the board members to read it.

INTRODUCTIONS

President Hitt introduced the following outstanding members of the UCF family: **Dr. Guifang Li**, Professor of Optics, Physics & Electrical and Computer Engineering, who was named a Fellow of the Optical Society of America, one of the premier societies in optics and photonics, for his “seminal contributions to all-optical clock recovery, all-optical regeneration, advanced modulation formats for optical transmission, and RF photonics;” **Dr. David Hagan**, Associate Dean of Academic Programs and Associate Professor of Optics & Physics, who was also named a Fellow of the Optical Society of America for “major contributions to the fields of nonlinear materials characterization and optical limiting and for leadership in undergraduate research in optics;” and the Employee of the Month for November, **Barbara Davis**, an administrative assistant in Academic Affairs.

CONSENT AGENDA

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

- **BOT-1 2007 Board of Trustees’ Meeting Dates-Revised** – Approval of the revised 2007 Board of Trustees’ Meeting Dates:
 - March 28, 2007-Wednesday (previously March 22, 2007-Thursday)
 - May 24, 2007-Thursday
 - July 26, 2007-Thursday
 - September 20, 2007-Thursday (previously September 27, 2007-Thursday)
 - November 29, 2007
- **BOT-2a Board of Trustees’ Annual Agenda** – For information only, the board members received a Board of Trustees’ Annual Agenda created at their request. The agenda is a general guide to the business that comes before the board annually.
- **BOT-2b Board of Trustees’ Meeting Topics Index** – For information only, the board received an index to the Board of Trustees’ meetings. The index will be updated semi-annually.

- **EP-1 New Degree Proposals** – Approval of the following new degree program proposals:
 - a. Doctor of Nursing Practice
 - b. Doctor of Physical Therapy
 - c. Master of Arts in Music
 - d. Bachelor of Science in Biotechnology
 - e. Bachelor of Science in Construction Engineering

GENERAL BUSINESS

Chair Nunis called on Trustee Conrad Santiago to present the first committee report.

FINANCE COMMITTEE REPORT

Trustee Conrad Santiago, chair of the Finance Committee, reported on the discussions in the committee meeting and followed with the presentation of three items for board approval:

- **Update of Campus Master Plan**–the master plan is still going through the appeal process. The petitioner filed a motion to stay, which would stop all construction on campus. An order was received denying that motion. The plaintiff sent a letter requesting an extension and none has been granted by the court.
- **Convocation Corporation Event Parking Garage**-at the November 30, 2006, meeting, the board authorized the university to proceed with the construction of an event parking garage and related infrastructure behind the current arena and approved substitution of a line of credit from Bank of America in lieu of the debt service reserve funds currently held with the UCF Convocation Corporation certificates of participation. Subsequent discussions with FGIC and Bank of America have led to a slightly different financing approach for the garage and related infrastructure. The Bank of America line of credit will still be substituted for approximately \$7.8 million of the debt service reserve funds in the housing certificates of participation, but instead of substituting a line of credit for the convocation center certificates of participation, UCF will use approximately \$2.5 million of interest earnings from the housing project with up to \$3.7 million of infrastructure funds held by the university.
- **Proposed process for considering funding plan for the Health Sciences Campus**-In response to a request by the board, Provost Terry Hickey outlined a funding plan process for the Health Sciences Campus, which proposed dates for BOT member involvement, dates materials would be sent or received by the board, and a schedule of the Board of Governors' meeting dates. Trustee Santiago reported that the intent was to adopt this process for future initiatives as well. The current funding model shows March 27, 2007, as the date the financing plan for bond financing would be submitted to the Board of Governors' staff for approval

at its May 10, 2007, meeting. Provost Hickey received the board's support for the proposed process as a good working model.

- **Campus construction update**-Trustee Santiago referenced a possible joint venture opportunity involving a student housing facility, much like that of Pegasus Landing, to be operated by UCF across from the Orlando campus on a ten-acre parcel of land. Preliminary performance information does not appear to be favorable to UCF. The proposal will go forward to the real estate committee of the UCF Foundation and, if approved, it will be brought to the board for consideration and approval.
- **Highlights of ongoing projects across campus include:**
 - a. campus roadway project is coming to an end
 - b. Psychology Building is substantially complete
 - c. Convocation Center is on track
 - d. football stadium is on track
 - e. event parking garage is under construction
 - f. Parking Garage V is open and 75 percent filled
- **Support Agreement Fund Balances Report**-From December 31, 2005, actual coverage ratio went up from 7 to 7.5%.
- **Operating Budget**-both revenue and expenditures are within expected ranges for this point in the year.
- **FIN-1 Student Fee Increases**-The board approved a recommendation by the Finance Committee to increase the Activity & Service, Health, Athletic, and Transportation Access fees effective Fall 2007. The fees recommended are summarized in the table below.

Fee	Fall 2007	Fall 2006	Cost of Living Increase	Additional Increase	% Increase
Activity & Service	\$ 9.73	\$ 9.37	\$ 0.23	\$ 0.13	3.8%
Health	8.15	7.95	0.20	---	2.5%
Athletic	11.88	11.09	0.28	0.51	7.1%
Transportation Access	7.09	5.84	---	1.25	21.4%

A student fee committee was formed early in the fall semester to evaluate the potential increases for the Activity & Service, Health, Athletic, and Transportation Access fees effective with the fall semester of 2007. As required by statute, the committee membership was composed of one-half students and one-half faculty and staff.

- **FIN-2 Housing Rental Rate Increase**– The board approved a recommendation by the Finance Committee to establish UCF on-campus housing fees for 2007-2008. The Department of Housing and Residence Life strives to provide living environments that are conducive to academic achievement. The department receives no state funding and relies primarily upon rental revenue. Salaries, debt service on facilities, utilities, maintenance of facilities, and administrative overhead are all funded by the generated revenue. The department requested an average rental rate increase of 3% for all types of accommodations for 2007-2008. In addition to rental revenues, income will be generated from interest, conferences, and other miscellaneous sources.
- **FIN-3 Parking Decal Fee Increase**–With one dissenting vote, the board approved a recommendation by the Finance Committee for a 5% increase in 2007-2008 parking decal fees. A parking decal fee increase is required to help generate sufficient revenue for the parking and transportation operation on campus, to pay for the shuttle system, and to cover debt service payments for the parking garages. Other sources of revenue include the transportation access fee, traffic fines, and metered parking fees. The Parking and Traffic Advisory Committee, which is composed of faculty, staff, and student representatives, recommended approval of the 5% decal increase for the 2007-2008 year. The board made a recommendation that the committee formed to approve student Activity & Service, Health, Athletic, and Transportation Access fee increases and the committee formed to approve parking decal fee increases work together in the future to foster better communication between committees.

ADVANCEMENT COMMITTEE REPORT

Trustee Rich Walsh, vice chair of the Advancement Committee, reported highlights from the Advancement Committee:

- Vice President Tom Huddleston reported on Marketing, Communications, and Admissions. Highlights of the report included:
 - integrated marketing campaign is a success
 - number of applications to UCF is well ahead of this time last year
 - quality of applicants is significantly higher this year
 - 50 National Merit Scholars as compared to 26 last year at this time
 - there is a 20% increase in freshman applications
 - 120 college advisors are invited to campus in February for the “Overnight Showcase”
 - \$200 million of aid is given out each year
 - three new federal financial aid programs totaling \$2.5 million were established

- Vice President Bob Holmes gave a philanthropy report indicating that at the half-way point in the year:
 - annual fund is at \$3.1 million
 - there are 815 more donors than planned
 - Foundation's goal for the year is \$40 million in contributions and 16,000 donors
 - Alumni Relations introduced an in-house call center for contacting alums staffed by UCF students
 - club seat and suite sales are going strong
 - stadium goal for the year is \$15 million in contributions—currently at the \$8 million mark
 - Convocation Center naming opportunities are being pursued
 - Capital Campaign celebration will be March 24, 2007
 - \$100,000 endowed scholarship for sons and daughters of military personnel, thanks to the Office of Development, became a \$1 million endowment eligible for state match.

- Vice President Dan Holsenbeck reported that:
 - legislature currently is in special session discussing property insurance issues
 - Board of Governors endorsed eight of the sixteen projects requested by UCF in its 2007-2008 Legislative Budget Request—funding priorities are the UCF Medical School and Life Sciences
 - five of the House Council and committee leadership appointments in charge of allocating state funding are knowledgeable about higher education and have close relationships with UCF.

AUDIT AND OPERATIONS REVIEW COMMITTEE REPORT

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

- Presentations were given by the UCF Research Foundation and the UCF Foundation, Inc., on their financial statements for the fiscal year ending June 30, 2006. Both audit reports had an unqualified opinion with no management findings. Vice President M. J. Soileau also reported that the Research Foundation currently holds \$2 million in cash with \$1.4 million of that in restricted funds.

- David Hansen, Senior Associate Athletics Director for UCFAA, Inc., gave a report on the UCFAA structure and its operations. He reported that it has 130 employees and 400 student athletes. He also reported on athletics' compliance issues including workman's compensation regulations, data security, and Title IX compliance. Hansen also reported that an outside consultant is coming in next year to review its strategic plan as it relates to Title IX compliance.

- Jessica Reo, Assistant Athletics Director, UCFAA, Inc., reported on the process of NCAA rules education for all persons involved with UCF athletics including parents, athletes, coaches, and boosters. She stated that the compliance department is responsible for the monitoring of student athlete recruitment and performance, student financial aid (loans, grants, and scholarships given per year), academically eligible student athletes, and violations. Sources used to promote rules education include monthly newsletters, memos to athletics' staff, and monthly meetings with coaches.
- Scott Cole, Vice President and General Counsel, reported on the contracting process at UCF. He stated that 1,875 contracts were reviewed by the General Counsel's office for fiscal year 2005-2006. He also noted that 91% of those contracts were reviewed within five days of their receipt. In addition, a report was given on delegation of authority for contracts, proposals, agreements, settlements, and all purchasing and expenditures.
- Trustee Calvet commended the work of the Audit and Operations Review Committee members and Trustee Rick Walsh applauded Amy Voelker, Director of University Audit, and her team for putting together an annual and multi-year plan for audit follow-up considerations.

EDUCATIONAL PROGRAMS COMMITTEE REPORT

Highlights of the Educational Programs Committee discussions, chaired by Trustee Judy Albertson, include the following:

- The following new degree program proposals were presented by Dr. Patricia Bishop, Vice Provost and Dean for Graduate Studies, and Dr. John Schell, Vice Provost for Academic Affairs, and were unanimously approved by the board:
 - EP1-a Doctor of Nursing Practice
 - EP1-b Doctor of Physical Therapy
 - EP1-c Master of Arts in Music
 - EP1-d Bachelor of Science in Biotechnology
 - EP1-e Bachelor of Science in Construction Engineering
- Dr. Alison Morrison-Shetlar, Interim Dean for Undergraduate Studies, introduced Dr. Sheri Dressler, Director, Experiential Learning, who announced that experiential learning at UCF recently received the *Program of the Year* award from the National Society for Experiential Education. Criteria for the award included institutional commitment, quality, and collaboration. The mission of the program is to assist all UCF students to graduate with applied learning experiences, to increase their academic and career-related skills, to gain employment in their field upon graduation, to support faculty members in best practices for teaching experiential learning courses, and to create strong industry and community partnerships. Program highlights include the following:

- 23,000 students annually
 - 50 undergraduate and 10 graduate departments from all colleges
 - 300 faculty members
 - 1,900 community partners
- A presentation was given by Dr. Neal Gallagher, Dean, College of Engineering & Computer Science, regarding its outstanding outreach programs and activities. The presentation highlighted the Office of Minority Engineering and Computer Science Programs, the Florida Foundation for Future Scientists that includes state science and engineering fairs, the Office of Education Partnerships that includes the Engineering Futures Forum and the 2006 Florida Engineering Education Conference, the Florida Engineering Education e-Newsletter, Project Infinity, and UCF dual enrollment with area high schools. And, finally, Dr. Gallagher mentioned the EXCEL program funded by the National Science Foundation to reach under-represented groups of students interested in science, technology, engineering, and mathematics.
 - Ke Francis, Professor, College of Arts and Humanities, gave a presentation on Art in the Expanded Classroom that focused on experimental learning. UCF faculty members and art students were commissioned by Trustee Harris Rosen to place their award-winning art work on display at the Rosen Shingle Creek Resort. Winners include Dawn Anastasio for a sculpture installed at the site, and Daniel Coeyman, Chris Beaven, Marina Weber, Mark Briton, Nikki Faust, Rocio Fernandez, and Wesley Stephenson for artwork displayed in the hotel lobby.
 - Dr. Jean Leuner, Director and Professor, School of Nursing, gave a presentation entitled *Moving from a School of Nursing to a College* in which she stated that the school consists of baccalaureate programs, R.N. to B.S.N. programs, concurrent nursing programs with Seminole Community College, R.N. to M.S.N. programs, and doctoral programs. She noted that they are planning a Doctor of Nursing Practice program that would be a clinical doctoral program. Dr. Leuner stated that research productivity, faculty reputation, focus, and partnerships were the criteria that would cause a school to move to college status.

OTHER BUSINESS

Chair Nunis announced that a resolution would be sent on behalf of the board and the University of Central Florida congratulating the University of Florida for its national titles in both men's basketball and football. The resolution was read by Vice President and General Counsel Scott Cole and the board unanimously approved it.

Chair Nunis announced to the board that he was coming out of retirement and going back to work in the private sector. Since that would require a substantial amount of his time, he stated that he was stepping down as chair, but would remain an active member of the board. Nunis made a motion to nominate Trustee Rick Walsh to serve out his term as chair of the board. The motion was seconded and the board agreed unanimously.

Trustee Rosen recommended that a committee be formed to take transportation issues into consideration as they arise so that the board might be better prepared to make informed decisions. Newly-elected Chair Walsh requested that Trustee Conrad Santiago and Vice President William Merck discuss the best way to oversee campus master planning and its integral component, transportation, and to report their recommendations to the board at the next meeting.

Trustee Santiago, on behalf of the entire board, thanked charter member and chair, Dick Nunis, for his outstanding leadership, vision, and guidance.

NEW BUSINESS

Associate Corporate Secretary, Beth Barnes, reminded the board members to turn in their availability and conflict of interest forms.

Provost Terry Hickey announced that discussions continue with the Hubbs-SeaWorld Research Institute. Plans are to enter into a non-binding letter of intent. Should the collaboration become more than just a letter of intent, it will be brought back to the board for further consideration.

ANNOUNCEMENTS AND ADJOURNMENT

The next board of trustees' meeting will be on Wednesday, March 28, 2007.

With no further business to discuss, Chair Walsh adjourned the board meeting at 3:44 p.m.

Respectfully submitted: _____ Date: _____

John C. Hitt
Corporate Secretary