

**Minutes
Board of Trustees Meeting
University of Central Florida
March 18, 2008**

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 1:40 p.m. The following members attended the meeting:

The Honorable Judith A. Albertson	The Honorable Brandie Hollinger
The Honorable Olga M. Calvet	The Honorable Phyllis Klock
The Honorable Manoj Chopra	The Honorable Harris Rosen
The Honorable Patrick Christiansen	The Honorable Conrad Santiago
The Honorable Alan Florez	The Honorable Thomas Yochum
The Honorable Micky Grindstaff	

WELCOME

Chair Walsh welcomed the board members and called for approval of the minutes of the January 17, 2008, board meeting and the February 26, 2008, telephone conference call meeting. Two minor, non-substantive corrections were made to the minutes of the last board meeting. Since no further changes were requested, the minutes were approved.

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

REMARKS AND INTRODUCTIONS

President Hitt announced that today's meeting was Brandie Hollinger's last. She leaves after her year of service as president of the Student Government Association and a member of the board. Hitt thanked her for her excellent service to the university and presented her with a framed certificate of appreciation.

Chair Walsh welcomed new trustee, Micky Grindstaff. Walsh said that "Micky, a fellow alumnus, has been a good friend to the university for many years, in many roles, and we look forward to his service in this new capacity." President Hitt presented Trustee Grindstaff with a gold Pegasus pin and welcomed him to the board.

Hitt announced that a record eight University of Central Florida researchers had received a prestigious National Science Foundation award that recognizes the nation's most outstanding and promising young scientists and engineers. Each awardee will receive a minimum of \$400,000, distributed over five years. Dr. M. J. Soileau, UCF's Vice President for Research and Commercialization, said the "CAREER awards are extremely competitive and these awards are given only after extensive review by scientific peers. To receive eight of them is significant. This means that top young engineers and scientists are choosing UCF as the place to build their careers. This bodes well for the future of our university."

Hitt asked the awardees to stand for recognition: Dr. Enrique del Barco, assistant professor, Department of Physics, College of Sciences; Dr. Andre Gesquiere, assistant professor, Nanoscience Technology Center and Department of Chemistry; Dr. Saiful Khondaker, assistant professor, Nanoscience Technology Center and the Department of Physics; Dr. Pawel Wocjan, assistant professor, College of Engineering and Computer Science; Dr. Lei Zhai, assistant professor, Nanoscience Technology Center and the Department of Chemistry; Dr. Huiyang Zhou, assistant professor, College of Engineering and Computer Science; Dr. Stephan M. Kuebler, director, Nanophotonic Materials Group, assistant professor, Department of Chemistry, CREOL, The College of Optics and Photonics; Dr. Nina Orlovskaya, assistant professor, Mechanical, Materials & Aerospace Engineering.

Hitt noted that the Order of Pegasus was the highest recognition the university gives outstanding graduating seniors and graduate students who have demonstrated exemplary involvement, leadership, academic achievement, and community service. He asked the Order of Pegasus awardees to stand and be recognized: The graduate recipients were: Kimberly E. Bryant-Davis, College of Education; Tai T. Do, College of Engineering and Computer Science; Samiullah K. Durrani, College of Engineering and Computer Science; and Maribeth L. Kuenzi, College of Business Administration. The undergraduate recipients present were: Ayoolabode A. Ajaja, College of Engineering and Computer Science and a member of the President's Leadership Council (PLC); Bryan E. Arnette, College of Health and Public Affairs and a member of the PLC; Tabatha L. Calabrese, College of Health and Public Affairs, College of Sciences, and a member of the PLC; Ashley E. Conyers, College of Undergraduate Studies and a member of the PLC; Scott L. Kirkman, College of Business Administration and the vice chair of the PLC; Brittany L. Moscato, College of Medicine, Burnett School of Biomedical Sciences, College of Arts and Humanities and a member of the PLC; Maria V. Pecoraro, College of Science; Megan A. Policastro, College of Health and Public Affairs and the chair of the PLC; and Stephanie Kyla Tan, College of Sciences and a member of the PLC.

And, finally, Hitt reported that the UCF Employee of the Month for January was Marisa Gonzalez, a registrar's specialist in the Registrar's Office, and the UCF Employee of the Month for February was Timothy Newman, a campus landscape superintendent with Landscape and Natural Resources. Hitt asked the audience to join him in congratulating all of these outstanding members of the UCF family.

President Hitt sadly announced the death of UCF football player, Ereck Plancher, who collapsed after a conditioning drill while preparing for the opening of the Knights' spring practice. Ereck was 19 years old and a business major. Both President Hitt and Chair Walsh, on behalf of the Board of Trustees, extended their condolences and offered the full support of the UCF family and university resources to both Ereck's family and his fellow teammates and classmates.

CONSENT AGENDA

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

- **ADV-1 Advancement Committee Charter** – Approval of the Advancement Committee’s document entitled *Advancement Committee Charter*.
- **ADV-2 Advancement Committee Governance** – Approval of the Advancement Committee’s document entitled *Advancement Committee Governance*.
- **ADV-3 Trustee Self-Assessment** – Approval of the Advancement Committee’s document entitled *Trustee Self-Assessment*.
- **ADV-4 Attendance and Participation Dashboard** – Approval of the amended Advancement Committee’s document entitled *Attendance and Participation Dashboard*. The amended document will contain a designation on each committee attendance box to denote the trustee’s committee membership or non-membership.
- **ADV-5 Advancement Committee Charter Sections 4.5-4.17 and Trustee Self-Assessment** – Approval of the adoption of the following as guidance for all members of the Board of Trustees:
 - a. *Advancement Committee Charter Sections 4.5-4.17*
 - b. *Trustee Self-Assessment*
 - c. *Attendance and Participation Dashboard*
- **BOT-2 Conferral of Degrees** – Concurrence for conferral of degrees at the Spring 2008 commencement ceremonies:
 - 5,150 Baccalaureate Degrees
 - 796 Master’s Degrees
 - 115 Doctoral and Specialist Degrees
 - 6,061 Total
- **FP-3 Minor Amendment to the Campus Master Plan** – Approval granting authority to add to the campus master plan a new, 1,600-car parking garage on the northwest portion of the campus near Gemini Boulevard.
- **NOM-1 Nominating Committee Charter** – Approval of the Nominating Committee’s document entitled *Nominating Committee Charter*.

GENERAL BUSINESS

- **BOT-1 Collective Bargaining Agreement with American Federation of State, County, and Municipal Employees (AFSCME)** – A motion was made by Trustee Yochum and passed by the board to ratify a three-year collective bargaining agreement between the American Federation of State, County, and Municipal Employees and the University of Central Florida Board of Trustees.

A portion of the support staff, primarily maintenance and service workers, are represented for collective bargaining by AFSCME. The parties entered into an initial three-year agreement that expired June 30, 2007. Pursuant to that agreement, the parties began negotiations on April 24, 2007. After eight bargaining sessions, the parties reached tentative agreement on a three-year contract with re-openers for a small number of articles in the second and third year. This proposed collective bargaining agreement was ratified by AFSCME unit membership on February 26, 2008.

ADVANCEMENT COMMITTEE REPORT

Having no action items to consider, Trustee Alan Florez, chair of the Advancement Committee, reported highlights from the committee meeting:

- Dan Holsenbeck, Vice President for University Relations, gave a brief legislative update. He reported that the outlook for budget cuts for '08-'09 will be closer to 6%.
- Medical school funding, according to Holsenbeck, was well-positioned for increased appropriation.
- In terms of economic stimulus, Holsenbeck reported that UCF may have an opportunity for special projects that can fit into this category in the governor's budget. Two prime examples would be Partnership III and incubator space.
- And, finally, Holsenbeck reported that differential tuition appears to be supported for UCF by the Central Florida delegation.
- Bob Holmes, CEO, UCF Foundation, Inc., and Vice President, Alumni Relations and Development, reported that the state of the economy was affecting the status of giving.
- According to Holmes, the Foundation was on target with its goals for annual giving, hoping to reach \$52 million and 16,000 donors.
- UCF has 36 fully-funded and confirmed scholarships for the medical school.
- The Foundation has engaged an organizational assessment firm to review the organization as a whole and make recommendations for improvement.
- Tom Huddleston, Vice President for Marketing, Communication, and Admissions, reported that UCF was on track to increase its number of National Merit Scholars, which would move the university's national ranking up into the 36-40 scholars range.

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:

- The Audit and Operations Review Committee met on February 1.
- Amy Voelker, Director of University Audit, gave an update on the Board of Governors' Audit Committee meeting by stating that the Board of Governors has hired an inspector general whose functions are similar to those of UCF's internal audit functions.
- Voelker also gave an update on UCF Policy 2-800, Fraud Prevention and Detection. This policy outlines management responsibility for controls such as the reporting of fraud, waste, or abuse and University Audit's oversight of investigations.
- University Audit has provided fraud-prevention training to Finance and Accounting associate controllers and to Student Accounts personnel. Training will also be given to college budget managers within the university. In addition to training, University Audit is also updating its Web site to provide information on how to report issues to the university.
- At a future committee meeting, Calvet would like to discuss common processes that could be used by the numerous departments at UCF. Different processes are currently being followed by the departments, and record keeping, reporting, and investing should be standardized.
- Since auditing each department every year is not feasible, University Audit is looking into a self-reporting assessment mechanism and will provide further information at a future meeting.
- A suggestion was made that the audit schedule be reviewed and revised and consideration given to high-risk areas that may need to receive more frequent audits. Lower-risk areas may be audited less often, but have complete self-assessments done annually or between audits.
- Discussion took place about the mission of DSOs and whether there might be a change in scope from their original missions. Calvet feels it may be time to consider bringing DSOs back into the university rather than having them as separate entities.
- Calvet also discussed the Auditor General's draft report of its operational audit of UCF. There were comments in common among several universities in the state about building valuation, cell phones, and competitive bid thresholds.
- Scott Cole, Vice President and General Counsel, stated that the Auditor General does not recognize the Board of Governors' authority in certain areas. The findings in the Auditor General's report must be addressed; however, those findings that result from differences between the legislature and the BOG may not be solved by UCF alone and will likely require additional time to address.
- The committee reviewed all of the Auditor General's comments with the staff, and staff has responded to those comments in its report to the Auditor General. The board was provided a copy of both the Auditor General's report and UCF's response.

EDUCATIONAL PROGRAMS COMMITTEE REPORT

Trustee Judy Albertson, chair of the Educational Programs Committee, presented the following item for board approval and reported on the discussions in the committee meeting:

- **EP-1 New Degree Program Proposals** – A motion was made by Trustee Santiago and passed by the board approving the following new degree program proposals:
 - a. **Master of Science in Biotechnology** – The proposed master’s degree program in biotechnology consists of 30 hours of graduate-level course work. The program builds on existing strengths in the College of Medicine, including the Burnett School of Biomolecular Sciences and the Biomolecular Science Center, and strengths in other areas of the university, including the Nanoscience and Technology Center, chemistry, and computer science. No new courses are needed to implement the biotechnology degree program and a ready population of students is prepared to enter the program.
 - b. **Bachelor of Science in Golf and Club Management** – This proposed program of study, evolving from an existing track in the hospitality management program, prepares students for golf and club management. Golf management careers include positions in the management, ownership, development, and operation of golf facilities in the golf retail sector and in the golf communications and media sectors. Club management education creates career opportunities in a variety of country, city, yacht, resort, university, and athletic clubs and in health and beauty spas.
 - c. **Bachelor of Arts in International and Global Studies** – The proposed bachelor of arts degree in international and global studies has been a popular track (called the International Studies Track) in the Department of Political Science since Fall 2003. The program will better serve the public sector as a stand-alone degree, more fully meet the demand from organizations in private non-profit and for-profit sectors of the economy, and continue to prepare students for graduate work at the master’s and doctoral levels. The degree program will strengthen the commitment of UCF to its surrounding region, to businesses and organizations in Central Florida that are involved in international and global matters, and to the state of Florida, with its growing international population and geographic proximity to a large, international community.

- Dr. Deborah German, Dean of the College of Medicine, gave a brief accreditation site visit update. She reported that the four-member LCME team was on campus December 7. The college was issued a very favorable report and the dean stated that the UCF accreditation team exceeded her expectations.
- Dr. Maribeth Ehasz, Vice President for Student Development and Enrollment Services, gave a report on the Meningococcal Meningitis and Hepatitis B Vaccination Policy, informing the board of the Board of Governors' proposed requirement that all new students, including graduate and transfer students, must provide proof of immunization against meningococcal meningitis and Hepatitis B prior to the start of classes or provide a signed waiver declining the vaccine.
- Albertson discussed the Voluntary System of Accountability Initiative, which seeks to codify a template for comparing universities. It will be a Web-based "College Portrait" available to the public, but it has not yet been approved by the Board of Governors.
- The Educational Programs Committee charter has been drafted.
- A brief workshop took place regarding the possibility of establishing a graduate college with more information to follow at future meetings.

FACILITIES PLANNING COMMITTEE REPORT

Trustee Pat Christiansen, chair of the Facilities Planning Committee, presented the following items for board approval:

- **FP-1 Academic Villages Expansion** – A motion was made by Trustee Christiansen and passed by the board to approve the review of the 2008-2013 Housing Master Plan concept and to approve the Academic Village expansion to add 840 beds with additional parking.

Several years of retention and graduation data demonstrate that core campus housing, formerly known as on-campus housing, has a beneficial effect on student success. Currently, UCF has a bed deficit and is unable to provide sufficient core campus housing to meet first-time-in-college student demand. UCF is also unable to meet the demands of upperclassmen for core campus housing. Future bed deficits are projected to increase.

- **FP-2 Razing of Building #15** – A motion was made by Trustee Christiansen and passed by the board to approve the demolition of Building #15, contingent upon the Educational Plant Survey recommendation, and to authorize the president to make necessary adjustments.

Building #15 is in poor condition and should be demolished. A preliminary list of deficiencies is described in the code deficiency report recently prepared by Welbro Building Corporation. The estimated cost to correct the problems within the building is in excess of \$1,600,000, which is greater than the value of the building. The cost to demolish Building #15 is estimated to be approximately \$50,000-\$75,000.

The Educational Plant Survey is scheduled to be performed in late March 2008, and Board of Governors' staff members have indicated that it is likely that they will recommend demolition.

- Ehasz will continue the study of a student housing plan.
- A review of the campus master plan will be ongoing.
- A preview to the Performing Arts Complex was presented with a projected total cost of \$75 to \$85 million.

FINANCE COMMITTEE REPORT

Trustee Conrad Santiago, chair of the Finance Committee, reported on the discussions in the committee meeting and presented the following items for board approval:

- Vanessa Fortier, Associate Vice President for Administration and Finance, gave a budget and tuition update. Information regarding tuition increases will not be available until possibly early May.
- Dr. John Schell, Vice Provost for Academic Affairs, provided a report on the process to establish 2008-2009 Equipment and Facilities Fees, which are charged per student, per semester, per major and are capped at \$90.
- William Merck, Vice President for Administration and Finance, provided a brief discussion about a new 1,600-car parking garage to be located on the northwest portion of the campus near Gemini Boulevard.
- Merck presented the Support Agreement Fund Balances Report stating that fund balances continue to grow and are in good shape. After discussion of the report, the board members suggested the total debt, annual debt, and debt from direct support organizations be reflected separately. Merck also noted that at a future date, a more detailed report of all debt and revenue sources will be presented to the committee. Trustee Yochum commented that it would be helpful to review the rates that the university was paying on its debt to see if there is an opportunity for refinancing.
- Merck gave a brief report on the status of the draft investment policy with more information to be provided at a future meeting.
- Fortier gave a report on the operating budget status stating that all areas are running within their budgets as compared to the prior year with no significant variances to report.
- **FIN-1 Fraternity Houses Purchase Financing Plan** – A motion was made by Trustee Santiago and passed by the board to approve a financing plan to borrow up to \$4 million for the purchase of two fraternity houses, Sigma Alpha Epsilon and Sigma Phi Epsilon.

This action is a follow-up to the January 17, 2008, Board of Trustees' meeting when the board approved the purchase of two Greek houses, Sigma Alpha Epsilon and Sigma Phi Epsilon, to add to the UCF Housing and Residence Life system, subject to the board's approval of a financing plan.

- **FIN-2 Golden Knights Corporation Cash Release** – A motion was made by Trustee Santiago and passed by the board to approve the release of up to \$1,546,270 million from the Golden Knights Corporation to the UCF Athletics Association, Inc., for use in meeting operating expenses as funds are received.

NOMINATING COMMITTEE REPORT

Trustee Phyllis Klock, chair of the Nominating Committee, reported on the discussions in the committee meeting:

- The Nominating Committee met on March 10 and unanimously agreed to the Nominating Committee Charter approved in the consent agenda.
- Chair Klock commented on Section 1, Item 1.4, of the charter, *Overall Purpose and Objectives*, that presumes there would be a *trustee emeritus* policy for consideration by the full board.
- Klock reported the committee is developing a *trustee emeritus* policy, which will recognize former trustees for their distinguished service to the university and offer those individuals *emeritus* privileges.
- A proposed document was currently being circulated among the committee members to obtain committee approval at its April meeting and bring the document before the full board for approval at the May board meeting. At that same time, the committee will be proposing names of individuals for *trustee emeritus* designation.
- Klock reported that the committee continued its work on the presidential selection process with a focus on critical success factors. In addition, the committee continues to focus on leadership characteristics that would bring the university to where it wants to be in the next 5-10 years.
- Klock reminded the board that all of the committee's background work was intended to bring about very intentional and very thoughtful dialogue that would ultimately be brought before the board on an annual basis so that a process would be in place should the necessity for a presidential transition arise.

NEW BUSINESS

- Provost Terry Hickey reported that, because the March Revenue Estimating Conference showed a shortfall, the university will face a budget cut of 6% in FY '08-'09. In addition, Chancellor Rosenberg warned university presidents to prepare for budget cuts of up to 10% in '08-'09.
- Hickey recognized the work of Vanessa Fortier, Assistant Vice President for Administration and Finance, and Lynn Gonzalez, Assistant Vice President for Academic Affairs Administration, for their assistance in preparing responses to budget requests.
- Chair Walsh acknowledged the work of the university administration for its assistance in providing a list of cost-saving initiatives across the university, thereby indicating its desire to be more efficient and productive.

- A motion was made by Chair Walsh and passed by the board to appoint Scott Cole to prepare and execute an amendment to the university's parking regulations to provide additional security at the Rosen College of Hospitality Management by requiring a bar-coded decal be affixed to faculty, staff, and student vehicles for a one-time fee of \$5.00.

ANNOUNCEMENTS AND ADJOURNMENT

In his final comments, Chair Walsh thanked the board for staying focused on getting the processes and systems in place to best support the university.

The next regularly scheduled board meeting will be Thursday, May 22, 2008.

With no further business to discuss, Chair Walsh adjourned the board meeting at 3:03 p.m.

Respectfully submitted: _____ Date: _____

John C. Hitt
Corporate Secretary