

Minutes
Special Board of Trustees Meeting
Telephone Conference Call
University of Central Florida
April 9, 2007

Chair Richard Walsh called the meeting of the Board of Trustees to order via telephone conference call in the President's Board Room located in Millican Hall on the University of Central Florida campus at 10:00 a.m. The following board members attended the meeting via telephone conference call:

The Honorable Judith Albertson
The Honorable Olga Calvet
The Honorable Patrick Christiansen
The Honorable Alan Florez
The Honorable Phyllis Klock

The Honorable Harris Rosen
The Honorable Conrad Santiago
The Honorable Al Weiss
The Honorable Thomas Yochum

The Honorable Manoj Chopra attended the meeting in the President's Board Room.

COMMENTS

Beth Barnes, Associate Corporate Secretary, called roll and announced that a quorum was present.

Chair Walsh called upon President John Hitt to present the purpose of the meeting and he outlined the four issues to be discussed.

BUSINESS MEETING

Trustee Conrad Santiago, chair of the Finance Committee, presented the following three items for board approval:

FIN-1: University of Central Florida Derivatives Policy – A motion was made by Trustee Yochum to approve, with noted changes, the University of Central Florida Derivatives Policy for issuance of variable rate debt used to finance construction projects. The Florida Board of Governors' Debt Management Policy requires institutions issuing variable rate debt to have an approved derivatives policy in place prior to issuing the debt. This policy addresses how the institution will mitigate risks associated with variable rate debt. Noted changes were timing-related and included the following: 1) In Section VI, page 3, under Compliance and Reporting Requirements, the first line should read: "The vice president, or designee, shall perform a review, *at least once each year*, relating to fixed-to-floating or floating-to-fixed interest rate swap management." And, 2) On page 2 of 6, in the last paragraph under Section III, Fixed to Floating Rate Swap Management, the third line should read: "interest rate scenarios shall be updated on *not less than a quarterly* basis." The motion passed.

Trustee Phyllis Klock suggested that updates could also be incorporated into the standard status reports presented to the Finance Committee.

Trustee Patrick Christiansen commented that he would like to be assured that issues such as those being discussed go through the Finance Committee thirty days before they are expected to be voted upon by the full board.

FIN-2: Resolution for Approval of UCF Health Facilities Corporation to Issue Bonds – A motion was made by Trustee Klock to approve the resolution necessary for the UCF Health Facilities Corporation to issue up to \$60 million in bonds to construct the Burnett Biomedical Research facility. The motion passed. A resolution is required by the Board of Trustees to approve the issuance of bonds by the UCF Health Facilities Corporation for the financing of the Burnett Biomedical Research Facility.

FIN-3: Resolution for Approval of UCF Health Facilities Corporation to Execute a Line of Credit for a Burnett Biomedical Facility – A motion was made by Trustee Klock to approve, with noted changes, a resolution necessary for the UCF Health Facilities Corporation to execute a line of credit up to \$7 million to help construct the Burnett Biomedical Research facility. Due to the timing of pledged and matched funds, along with the issuance of bonds, a line of credit is needed to cover the difference in timing between the receipt of funds and the anticipated use of funds. Noted changes include the following: 1) Section 3, line 1, should read: “The Loan is to be *payable solely from* monies pledged by third parties and received on behalf of the University and the University of Central Florida Foundation, Inc., and the funds received by the University pursuant to the Courtelis Matching Funds Program.” and, 2) Section 3, line 4, should read: “The DSO is legally authorized to *require the Loan be payable from* the revenues to be pledged pursuant to section, 1010.62, Florida Statutes.” The motion passed.

FIN-4: Resolution for Approval of UCF Health Facilities Corporation to Execute a Line of Credit for a Medical Instructional Resource Facility – A motion was made by Trustee Klock to approve, with revised language, a resolution necessary for the UCF Health Facilities Corporation to execute a line of credit up to \$43 million to help construct the Medical Instructional Resource facility. Due to the timing of pledged and matched funds, a line of credit is needed to cover the difference in timing between the receipt of funds and the anticipated use of funds. The revised language is the same as stated in FIN-3 which reads as follows: 1) Section 3, line 1, “The Loan is to be *payable solely from* monies pledged by third parties and received on behalf of the University and the University of Central Florida Foundation, Inc., and the funds received by the University pursuant to the Courtelis Matching Funds Program.” And, 2) Section 3, line 4, “The DSO is legally authorized to *require the Loan be payable from* the revenues to be pledged pursuant to section, 1010.62, Florida Statutes.” The motion passed.

Beth Barnes, Associate Corporate Secretary, presented the final item for board approval:

BOT-1: Charles Hard Townes Honorary Doctorate – A motion was made by Trustee Christiansen to approve an Honorary Doctorate in Science for Charles Hard Townes recognizing his accomplishments in physics and optics research. His work at Columbia University in microwave physics and at the Massachusetts Institute of Technology in quantum electronics and astronomy was groundbreaking. A winner of the Nobel Prize for Physics in 1964, and a Guggenheim Fellow and Fulbright Lecturer, Dr. Townes has served on a number of scientific committees advising governmental agencies, including the Science Advisory Committee to the President, First Human Moon Landing Advisory Committee, and the Defense Department's committee on the MX Missile. The motion passed.

ADJOURNMENT

Since there was no further business to discuss, the special conference call meeting was adjourned at 10:40 a.m.

Respectfully submitted: _____ Date: _____
John C. Hitt
Corporate Secretary