

**Minutes
Board of Trustees Meeting
University of Central Florida
May 13, 2004**

Chairman Nunis called the meeting of the Board of Trustees to order in the Cape Florida Ballroom of the UCF Student Union at 1:20 p.m. The following members attended the meeting:

The Honorable Olga Calvet	The Honorable Richard Lee
The Honorable Arlen Chase	The Honorable Kevin Peters
The Honorable Patrick Christiansen	The Honorable Harris Rosen
The Honorable Geraldine Ferris	The Honorable Conrad Santiago
The Honorable Phyllis Klock	The Honorable Thomas Yochum

The Honorable Judy Albertson attended the meeting via telephone conference call.

BUSINESS MEETING

Chairman Nunis welcomed the board members and called upon President John Hitt to recognize the following visiting Central Florida state legislators: Representative David Simmons, Representative David Meador, Senator Dan Webster, and Senator Lee Constantine. The legislators stated that it was a privilege for them to serve the university and pledged their continued support. President Hitt thanked them, not only for their support of UCF, but more specifically, for their recent help with the Project E, Electronic Arts initiative, and also for their support of the Central Florida region and the entire state.

Chairman Nunis called for approval of the minutes of the March 25th meeting. The minutes were approved with some non-substantive corrections.

Chairman Nunis announced that the board was delighted that Trustee Arlen Chase would continue to serve as chair of the Faculty Senate. He also welcomed Trustee Kevin Peters, president of the UCF Student Government Association, who will serve on the board by virtue of his office. Trustee Peters thanked the board members for their warm welcome.

Chairman Nunis proudly commented that 15 students went to Tallahassee on their own to lend support for the UCF master plan. On April 29th, Governor Jeb Bush and the Florida Cabinet approved the campus master plan that will guide development at the University of Central Florida for the next 10 years.

Chairman Nunis called upon President Hitt for opening comments.

REMARKS

President Hitt reported that the total number of students registered for Summer 2004 is 23,243, an increase of 7.72% from this time last year. He commented that more than 4,700 UCF students graduated during five ceremonies on April 30 and May 1 at the UCF Arena and added that Trustee Geraldine Ferris gave a wonderful and inspirational commencement address at the Arts & Sciences II ceremony.

President Hitt shared the results of a recently completed impact analysis by our Institute for Economic Competitiveness, led by Dr. Peter Panousis, which shows that the total economic impact of both UCF and the Central Florida Research Park on the regional and state economy is almost \$2.6 billion. The employment impact, he added, is equally impressive with a total of over 35,000 jobs attributed to UCF and the Research Park. The institute's impact analysis brochure, *Leading Economic Indicator*, was distributed.

President Hitt proudly announced that *Florida Leader* magazine awards have gone to UCF for:

- Best Student Government for public universities
- Best Homecoming
- The Burnett Honors College HERO Volunteer Program
- Intramural Sports

He continued by saying that The Florida College Student of the Year Awards Program is also run by *Florida Leader* magazine. Each year it chooses 20 campus leaders to be recognized as the best in Florida. These students support themselves financially, excel academically, and are involved in community service and political activism. **Annie Howe**, a member of the President's Leadership Council, and **Kimberly Ruhge**, were named as two of the thirteen 2004 Honorable Mentions.

President Hitt reported that investigative reporter Bob Woodward spoke at a Watergate symposium organized by the Lou Frey Institute of Politics & Government. Woodward told a UCF audience that, among other things, President Gerald Ford felt that his pardon of Richard Nixon in the wake of the Watergate scandal was an act of statesmanship, compassion, and political self-sacrifice.

He reported that during a forum sponsored by UCF's Office of Global Perspectives, William Cohen, former secretary of defense, spoke about the war on terrorism, the difficulties of balancing privacy and security, and his belief that the United States needs to be more involved in the Middle East peace process.

President Hitt informed the board that among the speakers at UCF events commemorating the U.S. Supreme Court's *Brown vs. Board of Education* decision were Clarence Page, a Pulitzer Prize-winning newspaper columnist, and Dan Warren, a former Florida state attorney who refused to press charges against Dr. Martin Luther King, Jr., for demonstrating in St. Augustine in 1964.

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And, in his final comments, President Hitt reported the UCF Technology Incubator was named the National Incubator of the Year by the National Business Incubation Association at its annual conference in Atlanta. Since its opening in 1999, he reported, the 70,000-square-foot UCF Technology Incubator has helped more than 70 start-up companies and currently hosts more than 50.

INTRODUCTIONS

President Hitt recognized the following members of the audience: **Officer Carlos Maxwell**, a member of the UCF Police Department and the only forensic artist in the country working at a university, who gave a brief overview and demonstration of his expertise; **Roy Perez**, UCF senior awarded a prestigious Andrew W. Mellon Fellowship in Humanistic Studies. The fellowships are considered the leading national award for graduate students in the humanities and support exceptionally promising students as they pursue their doctoral studies; **Dr. Jan Cannon-Bowers**, associate professor at the Institute for Simulation and Training and the School of Film and Digital Media, recently inducted as a Fellow of the American Psychological Association; **Dr. Karen Dow**, professor of nursing, awarded the annual Excellence in Breast Cancer Education Award from the Oncology Nursing Society; and, **Pat Tibberri**, senior technical assistant in the Library, the University Support Personnel System April Employee of the Month.

REPORTS

Vanessa Bowman, a member of the President's Leadership Council and co-director of UCF's *Get Carded* program, presented facts about the non-profit organization that promotes organ and tissue donation. In 1997, she stated, student leaders at Volunteer UCF launched the first *Get Carded* campaign and reached more than 12,000 students and faculty members. Since that time, more than 75,000 donor cards have been distributed to our campus community. Much of the success of this campaign, she reported, is due to the willingness of students, President John Hitt, and the Alumni Association, who personally participate in organ and tissue donation and distribute donor cards every year. Today, she reported, *Get Carded* is active on campuses all across the state. The Florida Coalition on Donation guides the program's expansion and provides campaign materials.

GENERAL BUSINESS

- **BOT-1 – Delegate Approval of Internal Procedures of Student Government** – A motion passed approving the delegation to the president of the university or his designee the authority to approve the internal procedures of student government. The president or his designee, in accordance with his operational responsibilities, has regular, recurring contact with student government representatives. Therefore, it seems reasonable for the president or his designee to review and approve the internal procedures of student government. Notwithstanding this delegation, every board member retains the authority to request a review by the board of any disapproved procedure pursuant to section 1004.26(5) of the Florida Statutes.

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- **BOT-2 – Predetermination and Appeal Procedure for Regular Support Staff** – A motion passed approving the creation of University Rule 6C7-3.033. The purpose of this rule is to provide a predetermination and appeal procedure for support staff employees who have regular status. Support staff employees attain regular status in their positions after successful completion of a probationary period. This rule provides that, in the event that a regular status staff employee is to be suspended without pay, demoted, laid off, or discharged for disciplinary reasons, or is to receive a reduction in pay for disciplinary reasons, notice of such action and an opportunity to be heard will be given to the employee. The remainder of the rule sets forth procedures for employees who may wish to appeal a decision by requesting arbitration.

- **BOT-3 – Equity Accountability Program and Budgetary Incentive Plan** – A motion passed approving the *Equity Accountability Plan Update 2004*. Janet Balanoff, Director, Office of Equal Opportunity/Affirmative Action Programs, in her *Equity Accountability Progress Report for 2002-2003*, reported that UCF has met 123% of its goals in moving toward improving diversity. The hiring goals for the *Equity Accountability Plan 2003-2004*, she reports, are realistic and achievable. And, in terms of the *Budgetary Incentive Plan*, she reports, it is expanding this year under the leadership of Provost Terry Hickey.

- **BOT-4 – Compensation and Assessment Committee Report and Recommendations** – A motion passed approving the acceptance of the Compensation and Assessment Committee’s report and recommendations to include the following three proposals:
 - A. statement of purpose and primary responsibilities for the committee
 - B. the recommended assessment of the president
 - C. the recommended compensation of the president

Based on its assessment, the committee feels that the president is doing an outstanding job. The members rated him *outstanding* in every individual category, save one—fundraising, in which they rated him *above satisfactory*. This is an area in which they encourage enhancement. The committee agreed to this assessment of the president and recommended that the Board of Trustees approve his outstanding rating. In addition, the committee recommended a five percent increase, effective July 1, 2004, for Board of Trustees’ approval. While this regrettably still leaves the president as only the fourth-highest paid state university president in Florida at \$311,220, the committee felt that this was appropriate this year given all of the factors that must be considered. The committee also noted that in accordance with Florida statute, the portion of a state university president’s salary that exceeds \$225,000 must be paid from foundation funds.

Trustee Klock thanked the Compensation and Assessment Committee and Mark Roberts, Director, Office of Human Resources, for their tremendous work on this assessment and for their thoroughness, comprehensiveness, and the time and effort spent on this assignment.

Chairman Nunis stated, “I would rather have our board be criticized for giving our president a raise than be criticized for losing one of the greatest presidents in the United States.”

- **BOT-5 – Board of Trustees’ Committee Assignments** – Chairman Nunis reported that committee assignments will stay the same for this year with the addition of Trustee Kevin Peters to the Educational Programs Committee and to the Advancement Committee.

Advancement Committee

Trustee Patrick Christiansen, chair of the Advancement Committee, reported that there were no action items to bring before the full board. He shared the following highlights discussed in the committee: In his legislative update, Dan Holsenbeck, Vice President, University Relations, indicated that funding will be “better this year than last year.” He reported that the state budget approved by the Florida Legislature mandated tuition increases of 7.5 percent for all in-state undergraduate students and 12.5 percent for out-of-state professional and graduate students. In addition, he said, each university Board of Trustees was given the authority to increase non-resident tuition an additional 2.5 percent. Trustee Christiansen also added that Vice President Bob Holmes reported on the performance of the UCF Foundation, Inc., indicating annual private contributions for the year-to-date to be at \$3.6 million with 8,790 donors and total year-to-date broad-based charitable support for the university including annual, capital, and endowment contributions to be at \$13.5 million, with a total donor count of 9,105. In addition, he stated, according to Vice President Holmes, groundbreaking should begin in either July or August for the new 25,000 sq. ft. Alumni Center.

Educational Programs Committee

Trustee Geraldine Ferris, chair of the Educational Programs Committee, discussed the following committee items:

- **EP-1- Changing the status of academic entities from *school* to *college*** – In order to more accurately reflect their functions and structure within the university, the provost has changed the name of the *Rosen School of Hospitality Management* to the *Rosen College of Hospitality Management* and the name of the *School of Optics* to the *College of Optics and Photonics*. Unlike schools, which are embedded in colleges and are headed by directors, colleges are free-standing, degree-granting entities headed by a dean. These name changes will more accurately reflect the current organizational structure and provide consistency. This decision was supported by the Faculty Senate Steering Committee and approved by the president. These name changes will not involve the creation of new instructional programs or the expenditure of additional funds.

- **EPC-1- Business plan for offering selected UCF online degree and certificate programs out-of-state and out-of-region** – Several academic programs have requested that the university develop a policy allowing selected online degree or certificate programs to enroll out-of-state students at in-state tuition rates. These programs have excess capacity in certain courses that could be filled by out-of-state students not currently enrolled in UCF distributed learning courses because of the prohibitive cost of out-of-state tuition. A proposed business plan offering selected distributed learning courses out-of-region and out-of-state was presented by Joel Hartman, Vice Provost for Information Technologies & Resources.

- **EPC-2- (committee discussion of EP-1)**

- **EPC-3- How UCF compares to State University System institutions on selected measures** – As a follow-up to the presentation on the analysis of how UCF compares to AAU institutions on selected measures, Denise Young, Associate Vice President, Planning and Evaluation, and Julia Pet-Armacost, Assistant Vice President, Information, Planning, and Assessment, discussed how UCF compares to SUS institutions on selected measures. In summary, compared to SUS institutions, UCF is:
 - highly productive and efficient
 - highly selective, with high quality
 - average in retention and graduation rates
 - lagging in reputation

A future presentation will compare UCF to out-of-state peer and target peer institutions on selected measures.

- **EPC-4- Update on the Student and Exchange Visitor Information System (SEVIS) and other International Services Center changes** – This update, presented by Patricia Bishop, Vice Provost and Dean of Graduate Studies, provided information to the board concerning the progress of the International Services Center in responding to internal and federal audits with regard to SEVIS (a new tracking system, instituted by the federal government, to monitor international visitors, students, and scholars from the time they enter the United States until they leave), as well as process changes, addition of staff and services to international populations, and other matters of importance to the functioning of the International Services Center. Dr. Bishop recognized the outstanding efforts of the staff under the direction of Dr. Saleha Suleman.

- **EPC-5- Program Reviews** – Pursuant to Florida Statute 240.209 [Sections (1) and (5)(b)], the university conducts in-depth reviews of each of its programs. This year, the Division of Colleges and Universities changed the program review cycle from every five years to every seven years. The program reviews for this past year are complete and will be discussed at an Educational Programs Committee workshop on July 23, 2004, from 1:00-3:30 p.m., in the Pensacola Board Room, Room 222, of the UCF Student Union. The outcome of this discussion will be on the EPC agenda for its July meeting. The conceptual frameworks, goals, and objectives for the program reviews scheduled for 2004-05 have been submitted to the Division of Colleges and Universities for next year's program reviews. UCF will review eighteen programs within the College of Engineering and Computer Science and six within the School of Communication.

Finance Committee

Trustee Conrad Santiago, chair of the Finance Committee, discussed the following committee items:

- **FIN-1- Fall 2004 Health Fee Increase** – A motion passed approving the implementation of the previously approved health fee increase from \$6.18 to \$6.60 per credit hour. During the Spring 2004 legislative session, the Florida legislature approved an increase in undergraduate tuition of 7.5% for Fall 2004 that would allow the university to implement the full \$0.60 per credit hour increase for the health fee and still meet the requirements of the statutes. The Finance Committee recommended implementation of the full \$0.60 per credit hour increase in the health fee, effective fall semester of 2004, pending final approval of the increase in undergraduate tuition by the governor.

The increase was supported by a committee comprised of faculty, staff, and students. The health fee currently has a minimum and maximum fee of \$36.00 and \$90.00, based on 6 credit hours and 15 credit hours respectively. The minimum and maximum would change to \$39.60 and \$99.00 with implementation of the \$0.60 increase.

- **FIN-2- Fall 2004-2005 Parking Decal Fees** – A motion passed approving the 5% increase in 2004-2005 parking decal fees. A parking decal fee increase is required to help generate sufficient revenue for the parking services 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, supports the 5% decal increase for the 2004-2005 year.

- **FIN-3- Fall 2004 Tuition and Non-Resident Fee Increase** – A motion passed approving the mandated increase of 7.5% in tuition for undergraduate residents and 12.5% for graduate residents and all non-residents, beginning with the fall term of 2004, with no discretionary increase above the 12.5% for non-resident students. All increases are subject to final approval by the governor.
- **FIN-4- 2004-2005 Operating Budget** – A motion passed approving the UCF 2004-2005 Operating Budget. Approval includes the Educational and General, Auxiliary Enterprises, Sponsored Research, Student Financial Aid, Student Activities, and Concessions areas. The Educational and General budget reflects the amounts proposed by the legislature and is subject to approval by the governor.
- **FIN-5- Legislative Budget Request 2005-2006**– A motion passed approving the budget priorities for the 2005-2006 legislative budget request. In response to a request by the Chancellor for the Division of Colleges and Universities, with approval from this board, the university will submit the following list of priority funding issues for 2005-2006:

<u>Priority</u>	<u>Amount</u>
Accelerate teacher preparation for teachers in critical shortage areas	\$1,000,000
Increase degree production in nursing	1,000,000
Provide access to higher education through regional campus development	3,000,000
Augment high technology workforce and stimulate economic development	<u>2,700,000</u>
	\$7,700,000

- **FIN-6- Amended Campus Master Plan** – A motion passed approving amendments to the UCF campus master plan as ordered by the Administration Commission. The university is required to update its campus master plan every five years. The last update to this plan began in 2000 and was adopted by the UCF Board of Trustees at its meeting on January 23, 2003. The plan was subsequently challenged by outside parties and the university has gone through the statutory process required to resolve the challenge, which included mediation, informal hearings before the Division of Community Affairs, and review by the Administration Commission. On April 29, 2004, the Administration Commission approved the plan with amendments. In order for the university to operate under the provisions of the new plan, the Department of Education requires the board to approve the plan as amended.

With abstentions by Trustee Richard Lee and Trustee Thomas Yochum, because of possible conflicts of interest, a motion was passed resolving the board support of the actions of the Board of Directors of the UCF Athletics Association, Inc., in forming a

limited liability company and securing financing for 1,000 beds for housing, a covered field house, housing-related parking, and project development and planning costs, as well as immediate construction of approximately 500 beds for housing. This motion was made with the understanding that the president, or his designees, will meet with individual trustees to discuss the entire project and seek formal support of the board for the total project following such meetings.

NEW BUSINESS

Chairman Nunis thanked the board for its great representation in Tallahassee when the UCF master plan was being reviewed. He commented that during the plan’s appeals process, a remark was made that our flood plains were misrepresented in the master plan. Nunis commented that UCF does not establish its own flood plains. He called upon William Merck, Vice President for Administration and Finance, who reported that the development of the next five-year update to the master plan will again be public and that detailed information on setting elevations and establishing flood plain areas across campus will be provided to minimize future questions. Merck reinforced that every stage of building must be approved by the various state agencies, such as St. Johns Water Management, and he assured the board that approval is a very thorough process.

Chairman Nunis announced that Joe Lacher, chair of the Council of 100’s Higher Education Task Force, will come to the July 29th board meeting to discuss its report, *We Must Do Better*, and he requested that board members read the report before the next meeting.

ANNOUNCEMENTS

Chairman Nunis announced that the next meeting would be held on July 29, 2004.

The meeting was adjourned at 3:10 p.m.

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