

Minutes
Board of Trustees Meeting
University of Central Florida
November 21, 2002

Chairman Nunis called the meeting of the Board of Trustees to order in the Key West Ballroom of the UCF Student Union at 1:00 p.m. The following members attended the meeting:

The Honorable Judith Albertson	The Honorable Richard Nunis
The Honorable Olga Calvet	The Honorable Marco Peña
The Honorable Patrick Christiansen	The Honorable Harris Rosen
The Honorable Geraldine Ferris	The Honorable Conrad Santiago
The Honorable Phyllis Klock	The Honorable Richard Walsh
The Honorable Richard Lee	The Honorable Thomas Yochum

BUSINESS MEETING

Chairman Nunis welcomed the board members and expressed sincere condolences in the recent loss of Trustee Ava Parker's mother-in-law.

Chairman Nunis called upon President Hitt for opening comments.

REMARKS

President Hitt began his comments by introducing Buddy the Wonder Dog, acquired by UCF's campus police department for explosives and narcotics detection. Buddy is a chocolate Labrador purchased in Hungary. He is not an attack dog and is very approachable. He can identify 14 different narcotics and has an explosive detection reliability of 95 percent compared to 55 percent for humans. An article about Buddy appears in the October 2002 *Campus Safety Journal*.

President Hitt announced that fall 2002 headcount reached a total of 38,836 students. He indicated that UCF is rated 19th nationally among the 50 largest universities for Fall 2001 headcount enrollment--just behind New York University and just ahead of the University of Arizona. We have 77 enrolled National Merit Scholars, 25 of whom are freshman, and 1,505 honors students, 485 of whom are part of the 2002 entering class. He also announced that UCF has already awarded more than 7,000 degrees in 2002, including 123 doctoral degrees. The 1,000th doctoral degree is expected to be awarded this year.

President Hitt mentioned that, once again, Peter Delfyett, Jr., professor of optics, is in the news, most recently in *The New York Times*, for developing a laser-driven clock that is smaller than the head of a pin. In addition, he announced that the University of Central Florida Technology Incubator has been named one of the top 10 performing technology incubator programs in the United States. The incubator opened in 1999 with 12 emerging technology clients; today the facility houses more than 30 companies. Since its

inception, incubator firms have created more than 400 new jobs in Central Florida with annual salaries that average \$68,000 and more than \$100 million in revenues from sales and research and development grants.

In other news, President Hitt announced that on Tuesday, October 22nd, UCF hosted the final debate between gubernatorial candidates Governor Jeb Bush and Bill McBride. The debate was broadcast live on all NBC television affiliates in Florida and was moderated by NBC Chief Washington Correspondent Tim Russert. He thanked Dan Holsenbeck and his staff for the fine job they did in coordinating the event.

President Hitt announced that Joel Hartman, Vice Provost, Information Technologies and Resources, has been named chairman of the board of EDUCAUSE for 2003. EDUCAUSE is a Washington-based national association promoting the use of information technology. He thanked Joel and his staff for designing the new Board of Trustees Web site that is now up and running.

President Hitt mentioned the UCF Report Online, the university's Web news page, has received the Standard of Excellence Award in the 2002 Web Award Competition sponsored by the Web Marketing Association. The announcement of the award was made at Internet World in New York City in October. In addition, he congratulated the UCF Society of Women Engineers for their great performance in 2002. During the recent student awards banquet held in Detroit, the society received three first place awards with cash prizes for the Outstanding Small Student Section, the Exxon-Mobile Grant for the best audio-visual outreach video, and the Boeing Team Tech Competition.

On a final note, President Hitt mentioned a video produced for this year's President's Appreciation Dinner and thanked this year's honorees including Judy and David Albertson, Dr. Gerri Ferris, Phyllis and David Klock, Tom and Penny Yochum, and The Citizens Bank of Oviedo and Rick Lee. He concluded his remarks by thanking Vice President William Merck for his leadership in exceeding the 2002 goal of \$168,000 for the UCF Florida State Employees Charitable Campaign, which raised a total of \$172,848 on behalf of those less fortunate.

INTRODUCTIONS

President Hitt introduced the following guests: **Dr. Llewellyn Ehrhart** - professor in the Department of Biology Marine Turtle Lab, is currently in Washington receiving an award, selected by CASE and the Carnegie Commission, as Florida's Professor of the Year and stands a good chance of being named National Professor of the Year; **Dr. Peter Hancock** - professor of psychology, received the Jasrezbowski Medal for Lifetime Achievement from the Polish Ergonomics Society. The medal is given to foreigners for their outstanding contributions in the development of ergonomics as it affects the Polish people; **Dr. Pappachan E. Kolattukudy** - is serving in two capacities, as director of the Center for Discovery and of Drugs and Diagnostics (CD3) and also as chair for the Department of Molecular Biology and Microbiology; **Dr. Reed Noss** - Provost Research Professor, Department of Biology, joined the Biology department in the fall of 2002 and

is one of the most respected figures in the movement to apply the principles of island biogeography to the design of protected areas; **Dr. Humberto Campins** - recently joined UCF and is an internationally distinguished scholar in astronomy and space science. His research has generated more than \$4.3 million in external funding.

Finally, President Hitt introduced several members of this year's Leadership Enhancement Program: **Montel Watson, Gloria Coney, Janie Rivera, Rebecca Piety, Valeska Wilson, Dr. Lisa Logan** (not present), **Dr. Adenike Davidson**, and its director, **Dr. Valarie King**, Director of the Office of Diversity Initiatives. He mentioned that over 60% of those participating in LEP have been promoted internally.

REPORTS

The High-Tech Corridor presented by Randy Berridge, President, Florida High-Tech Corridor Council, gave an overview of the Florida High Tech Corridor Council, which is an economic development initiative of the University of Central Florida and the University of South Florida. Its mission is to create and implement a model to attract, retain, and grow high tech industry in Florida's High Tech Corridor. The objectives and accomplishments of the Corridor include matching funds research, marketing, and workforce development. President Hitt mentioned that the Corridor is an outstanding model for the entire state of Florida and credits its success to the partnerships formed with surrounding companies.

The Central Florida Research Park presented by Joe Wallace, Executive Director of the Central Florida Research Park, and Tony Bland, Chairman of the Board of the Orange County Research and Development Authority. Mr. Bland explained that the mission of the Authority is to enhance the university and solicit desirable industry and business to locate within the state and the county, providing for the continued well-being of our citizens by strengthening our economy. Mr. Bland mentioned that the authority was created by the Legislature in 1979, particularly to establish research and development parks. The Central Florida Research Park generates millions of dollars of revenue for the county. The existence of the park benefits UCF as well and supports their respective missions of research and academic and professional excellence. Joe Wallace reported that the park is to be a "center of excellence" that has government, industry, and academics together in a common environment.

GENERAL BUSINESS

***RES* BOT-1 - Presidential Compensation Committee Report and Recommendation** - Following an extensive discussion and after a roll call vote taken by Chairman Nunis, a motion passed 9 to 2, with one abstention and one board member absent, to adjust the salary of President John Hitt to \$295,000 effective October 1, 2002, and to initiate the process of creating a three year contract. The results of the roll call vote are:

Chairman Nunis - Yes	Trustee Parker - Absent
Trustee Albertson - Yes	Trustee Peña - Abstain
Trustee Calvet - Yes	Trustee Rosen - No
Trustee Christiansen - Yes	Trustee Santiago - Yes
Trustee Ferris - Yes	Trustee Walsh - Yes
Trustee Klock- Yes	Trustee Yochum - Yes
Trustee Lee - No	

~~✍~~ **BOT-2 - Robert E. Kahn Honorary Doctorate Degree** - A motion passed approving the award of an Honorary Doctor of Science degree for Dr. Robert E. Kahn, President and Chief Executive Officer of the Corporation for National Research Initiatives, at the December 2002 commencement ceremonies.

Chairman Nunis called for approval of the minutes of the September 26th meeting. The minutes were approved as written.

~~✍~~ **BOT-3 - Revisions to University of Central Florida Rules** - A motion passed approving the amendment of rule 6C7-4.014(3) Investments to read *Earnings from investments of University funds may be used for operating expenses or student loans and scholarships.*

A second motion was passed approving all new university rules and amendments to existing university rules, as necessary to comply with the requirements of the new Florida School Code and to conform the rules to current university practice, as emergency rules effective immediately, with the exception of Chapter 5 rules, which will be effective January 1, 2003. All rules will be approved as regular rules effective under normal process.

Advancement Committee

Trustee Patrick Christiansen, chair of the Advancement Committee, reported on the following committee items:

~~✍~~ **ADV-1 - Donor Recognition Policy** - A motion was passed approving the Donor Recognition Policy of the UCF Foundation, Inc. The Donor Recognition Policy was developed by staff and reviewed by university administration and the faculty senate. The policy was reviewed and accepted by the UCF Foundation Board of Directors. Donor recognition includes fiscal year gifts, major gifts, planned or deferred gifts, and naming opportunities.

~~✍~~ **ADV-2 - UCF Foundation, Inc., FY2002 Annual Audit** - A motion was passed accepting the UCF Foundation, Inc., FY2002 Annual Audit performed by Deloitte and Touche LLP. The board acceptance of this audit fulfills Florida Statute 1004.28 para. (5).

~~ADV-3~~ **ADV-3 - 2002 Florida School Code Rewrite Policy** - A motion was passed permitting the chairman to make an appointment of a representative of the UCF Board of Trustees to the UCF Foundation Board of Directors and to the Foundation Executive Committee. This action is noted in Section 172 of the 2002 Florida School Code in Florida Statute 1004.28 para. (3).

A second motion was passed permitting the chairman, at his discretion, to appoint a representative of the UCF Board of Trustees to the board of the Research Foundation and, if in existence, to the Research Foundation Executive Committee.

Education Programs Committee

Dr. Gerri Ferris, chair of the Educational Programs Committee, reported that the following items were discussed in the committee:

~~EP-1~~ **EP-1 - Change Name of *Center for Drug Development and Diagnostics* to *Biomolecular Science Center*** - A motion was passed approving the changing of the name of the *Center for Drug Development and Diagnostics* to *Biomolecular Science Center*. The new name will describe the mission and activities of this academic center, as well as attract outstanding faculty members

~~EP-2~~ **EP-2 - Conferral of Degrees** - Concurrence was unanimously given for the conferral of degrees for Fall 2002 commencement ceremonies on December 13 and 14.

The Educational Programs Committee has asked Dr. Thomas Huddleston, Vice President for Student Development and Enrollment Services, to provide a report to the board within six months on the status of financial aid disbursement to students at UCF.

Finance Committee

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

~~FIN-1~~ **FIN-1- Athletics Fee Increase** - A motion was passed approving the increase of Athletics Fees from \$9.90 per credit hour to \$11.09 per credit hour. The fee increase will generate approximately \$1 million in additional funds for the department, which will be used to improve existing programs, purchase equipment, and address staffing needs for athletic programs at the university.

A detailed summary in support of the need for the additional \$1 million is to be provided to Trustee Harris Rosen before the next scheduled board meeting.

~~///~~ **FIN-2- Fee Increase for the UCF Creative School for Children** - A motion was passed approving the increase of fees for services at the UCF Creative School for Children, effective Fall 2003, for:

~~///~~ students from \$90.00 to \$94.00

~~///~~ faculty, staff, and Research Park employees from \$106.00 to \$110.00

~~///~~ alumni and the community from \$116.00 to \$121.00 per week

Supporting documentation for the increase of fees for services at the UCF Creative School for Children is to be provided to Trustee Harris Rosen before the next scheduled board meeting.

~~///~~ **FIN-3- Section 125 Benefits Plan** - A motion was passed approving the adoption of the pre-tax benefits plan currently used by the State of Florida, with the employer being the University Board of Trustees. Effective January 7, 2003, the university will no longer be a state agency and, for purposes of certain benefits, university employees will no longer be state employees. Adopting this plan will ensure that the same benefits continue without interruption for university employees.

~~///~~ **FIN-4- Approval of inter-agency agreement** - A motion was passed authorizing the university to enter into an agreement with the Department of Banking and Finance to continue providing services to the university for calendar year 2003. The agreement would have an ending date of December 31, 2003, and may be between the department and all of the universities that are planning to transition from the state accounting and payroll systems in January 2004.

ANNOUNCEMENTS

Dr. M.J. Soileau, Vice President for Research, announced the National Conference for the Advancement of Research, coordinated by Mr. Gregory Schuckman, director of UCF Federal Relations in Washington, scheduled for December 1-4, 2002, at the Contemporary Hotel at Walt Disney World in Orlando.

President Hitt expressed his sincere thanks for the openness and candor with which the questions were pursued and the decision was made to adjust his compensation.

Chairman Nunis instructed the board to continue operating as usual until Tallahassee provides further information on the effects on university governance of Amendment 11 to the State Constitution.

He announced that the next meeting is scheduled for January 23rd, 2003, on the UCF Orlando campus.

The meeting was adjourned at 5:00 p.m.

Respectfully submitted: _____ Date: _____

John C. Hitt
Corporate Secretary