

**Minutes  
Board of Trustees Meeting  
University of Central Florida  
January 14, 2010**

Chair Rick Walsh called the meeting of the Board of Trustees to order at 1:00 p.m. in the Live Oak Center on the UCF Orlando campus. The following members attended the meeting:

The Honorable Judy Albertson	The Honorable Brian Peterson
The Honorable Olga Calvet	The Honorable Harris Rosen
The Honorable Ida Cook	The Honorable Conrad Santiago
The Honorable Ray Gilley	The Honorable Daniel Webster
The Honorable Micky Grindstaff	The Honorable Thomas Yochum
The Honorable Phyllis Klock	

**WELCOME**

Chair Walsh welcomed the board members and called for approval of the November 19, 2009, board meeting minutes, which were approved with one non-substantive correction.

Chair Walsh made the following announcements.

Chancellor Brogan asked that the following message be conveyed to the board:  
“As you are aware, the term for some members of the Board of Trustees has officially expired. We await word from the Governor’s Office regarding his intentions for those seats on the Board, as they are controlled by gubernatorial appointment. We hope to hear from the Governor’s Office in the coming weeks. In the meantime, please know that pursuant to article II, section 5 of the Florida Constitution, a retiring gubernatorial appointee continues to serve as a Board member until a successor is appointed by the Governor or until that appointee is reappointed.”

Walsh announced that the current committee assignments reflected the appointment of two new trustees by the Board of Governors and the continued membership status of the two governor’s appointees.

An orientation session will be held for all new trustees after the gubernatorial appointees are announced.

Finally, Walsh asked the board members to return their self-assessment and board participation forms to Dr. John Schell, Vice President and Chief of Staff, by Monday, February 15.

Chair Walsh welcomed two new trustees: Metro Orlando Economic Development Commission president and CEO, Ray Gilley, and former state senator and speaker of the Florida House of Representatives, Daniel Webster. Both trustees were presented with gold Pegasus pins and posed for pictures with President John C. Hitt.

Chair Walsh called on President Hitt for remarks and introductions.

### **REMARKS AND INTRODUCTIONS**

President Hitt stated that according to a recently published *Kiplinger's* report, the University of Central Florida provides one of the nation's best values in education. UCF ranked 36<sup>th</sup> on the magazine's annual list of the nation's 100 best-value public colleges and universities for in-state students. *Kiplinger's* develops its college rankings using measures of academic quality, cost, and financial aid.

Hitt stated that *The Princeton Review*, in partnership with *USA TODAY*, had also chosen UCF to be among its 50 "Best Value Public Colleges for 2010."

Hitt announced that support from the university to the UCF Athletics Association had decreased between the 2008-09 and 2009-10 academic years from \$498,000 to \$236,000, a 47.43 percent decrease.

Hitt noted the recent death over the holidays of Frances Millican, UCF's first First Lady. A public memorial service was held in the Pegasus Ballroom. He stated that "Frances was a treasured UCF supporter known for her passion, dedication, and devotion to her husband and the university. We will all miss her, and we will keep Charlie in our thoughts and prayers."

President Hitt recognized the following members of the UCF community.

Trustee **Olga Calvet** was honored with the Lifetime Achievement Award for her record as a successful accountant and community leader at the 2009 Don Quixote Awards ceremony. The Metro Orlando Hispanic Chamber of Commerce designates winners in several categories each year who exemplify professionalism, success, and community service.

**Dr. Diane Chase** from the Department of Anthropology, **Dr. Narsingh Deo** and **Dr. Mubarak Shah** from the School of Electrical Engineering and Computer Science, and **Dr. Debra Reinhart** from the Department of Civil, Environmental, and Construction Engineering were named fellows by the American Association for the Advancement of Science.

Finally, Hitt announced that the Employee of the Month for November was **Tamara Kidder**, manager of the UCF Card Office.

Hitt asked the audience to join him in congratulating these outstanding members of the UCF family.

Hitt announced that Provost Terry Hickey had informed him of his intent to retire on June 30, 2010. He stated that Hickey has provided extraordinary leadership to the university during his seven years as UCF's chief academic officer and that he will be greatly missed. Hitt noted that Hickey will be honored for his service to the university in the coming months.

Hitt stated that the search for a new provost would begin immediately. The search firm, Academic Search, Inc., has been retained, and Dr. Robert Lawless has been chosen as the consultant for the search.

### **CONSENT AGENDA**

A motion was made to accept the amended consent agenda, and members of the board concurred with the following actions.

- **BOT-1 University of Central Florida Annual Report 2009** – Approval of the University of Central Florida Annual Report 2009, as requested by the Florida Board of Governors.
- **BOT-2 Committee and Direct Support Organization Assignments** – For information only, a list of Board of Trustees committee and direct support organization assignments was provided.
- **BOT-3 2010 Board of Trustees Meeting Dates - Revised** – For information only, a revised list of 2010 Board of Trustees meeting dates was provided.
- **COMP-1 Employee Agreement for the President** – Approval of the 2009 Compensation and Labor Committee Report and Recommendations for Presidential Employment Agreement as well as authorization of the general counsel to draft an employment agreement consistent with the recommendations approved by the board.
- **FIN-4 2010 Finance Committee Meeting Dates** – For information only, a list of 2010 Finance Committee meeting dates was provided.
- **FIN-5 Florida Solar Energy Center Rules** – Approval of the adoption of Florida Solar Energy Center rules.
- **FIN-6 Morgridge International Reading Center Financing** – Approval of the financing of the Morgridge International Reading Center.

## **ADVANCEMENT COMMITTEE REPORT**

Trustee Dan Webster, chair of the Advancement Committee, reported the highlights from the committee meeting earlier in the day.

- As of November 30, 2009, the UCF Foundation endowment fund had a 25 percent recovery rate over the previous 12 months.
- Although the Foundation donor count is ahead of last year, the contribution dollar amount is down seven-eight percent.
- Current Foundation fundraising priorities include the Performing Arts Center, the College of Nursing building, the Athletic Academic Performance building, and an endowment for every college.
- The capital campaign planning process continues with successful presentations provided by Advancement Resources to the Foundation board, university deans, administrators, and members of the fundraising staff.
- A representative of the Office of News and Information reported that the UCF community was most interested in reading institutional updates along with enrollment and quality statistics, stories that affect students, stories on research, and stories on the impact of the economy on the university.
- Trustee Webster called attention to a four-page executive summary of a report on UCF and the Orlando region making medical school history that he hopes will be shared with the legislature.

## **AUDIT AND OPERATIONS REVIEW COMMITTEE REPORT**

Trustee Olga Calvet, chair of the Audit and Operations Review Committee, reported the highlights from the December 3, 2009, committee meeting.

- Amy Voelker, Director of University Audit, presented the audit results for the direct support organizations. All DSOs had unqualified audit opinions and had no control deficiencies or instances of non-compliance reported.
- Voelker reported that UCFAA had two management letter comments. Both called attention to minor control issues that have been remedied.
- Voelker presented the results for the financial statement audit, the federal financial assistance audit, and the operational audit. The Finance Committee reviewed the financial statements in October.
- Trustee Calvet reported that the IRS would be auditing the university over the next 12-18 months focusing on unrelated business income, executive compensation, international students and employee status, and employment tax issues.
- Calvet announced that the university has retained Nixon Peabody to assist with the IRS audit. The firm was also used in the recent IRS audit of the UCF Foundation.

## **COMPENSATION AND LABOR AD HOC COMMITTEE REPORT**

Trustee Thomas Yochum, chair of the Compensation and Labor Ad Hoc Committee, presented highlights from the December 7 and 21, 2009, committee meetings.

- Meetings were held regarding United Faculty of Florida contract negotiations.
- Yochum presented the following item for board approval.
  - **COMP-2 Board of Trustees and United Faculty of Florida Collective Bargaining Impasse Resolution** – A motion was made and passed by the board approving the Compensation and Labor Committee Report and Recommendations for Resolution of Impasse Proceeding between the UCF Board of Trustees and the United Faculty of Florida.
- Chair Walsh and Trustee Yochum expressed their disappointment on the lack of faculty representation at the impasse hearing on December 7, 2009.
- Chair Walsh thanked Trustee Yochum and the members of the committee for their work on the contract negotiations.

## **EDUCATIONAL PROGRAMS COMMITTEE REPORT**

Trustee Judy Albertson, chair of the Educational Programs Committee, reported the highlights from the committee meeting earlier in the day.

- The 2008-09 Academic Program Reviews were completed for the College of Arts and Humanities, the College of Medicine, and the College of Sciences.
- For information only, a discussion took place on the disbanding of the Institute for Technical Writing.
- Dr. Alvin Wang, Dean of The Burnett Honors College, presented an overview of the Office of Student Scholarship and Fellowship Advisement. Ashley Ewh, an honors student majoring in mechanical engineering, described how the office assisted her in obtaining a Barry M. Goldwater Scholarship in 2008 and two Astronaut Scholarships.

## **FACILITIES PLANNING COMMITTEE REPORT**

Trustee Micky Grindstaff, chair of the Facilities Planning Committee, reported that the committee had not met since the last board meeting.

## **FINANCE COMMITTEE REPORT**

Trustee Conrad Santiago, chair of the Finance Committee, reported the highlights from the committee meetings of December 2 and 15, 2009, and January 6, 2010.

- The Finance Committee Investment Work Group met to determine if the university should retain its investment with the State of Florida Special Purpose Investment Account (SPIA). Investment advisors Dave West and Troy Brown from The Bogdahn Group recommended staying with SPIA until new investments could be chosen.
- The university has two CDARS investments of \$10 million each maturing in December. The workgroup agreed that the university should request bids for re-investment of the funds under CDARS.
- West and Brown presented recommendations for investments in Pools I, II, and a portion of Pool III. For Pool I, the recommendation was to invest 50 percent in the Fidelity Institutional Money Market Government Class I fund and 50 percent in the Goldman Sachs Financial Square Treasury Obligations FST fund. For the full \$20 million in Pool II and \$68 million in Pool III, the recommendation was to interview investment managers from Galliard, Sawgrass, and MBIA.
- William Merck, Vice President for Administration and Finance, reported that the university's research foundation was interested in purchasing either the Bennett building or the Grazby building adjacent to the university. The purchase would require a minor amendment to the campus master plan.
- Vanessa Fortier, Associate Vice President for Administration and Finance, reported on the first four months of the fiscal year ending October 31, 2009. Preliminary student-semester credit hours for the year exceeded the enrollment plan by 1.4 percent and the prior year by 5.3 percent. Expenditures were within expected ranges.
- Merck reported that UCF currently has reserves that are ten times the maximum annual debt service for the Convocation Center arena and the Bright House Networks Stadium.
- Santiago reported that a representative from each of the direct support organizations gave a brief report on his or her 2008-09 fourth quarter and 2009-10 first quarter financial reports.

Trustee Santiago presented the following items for board approval.

- **FIN-1 2010-11 Student Fees** – A motion was made and passed by the board approving increases in the 2010-11 Activity and Service, Athletic, Health, and Transportation Access fees, effective Fall 2010.
- **FIN-2 2010-11 Parking Decal Fees** – A motion was made and passed by the board approving a five percent increase for 2010-11 parking decal fees, effective Fall 2010.
- **FIN-3 2010-11 Housing Rental Rates** – A motion was made and passed by the board approving UCF on-campus housing fees for 2010-11, effective Fall 2010.

**NOMINATING COMMITTEE REPORT**

Trustee Phyllis Klock, chair of the Nominating Committee, reported that the committee had not met since the last board meeting.

**NEW BUSINESS**

Trustee Walsh announced that Trustee Harris Rosen had organized an effort to assist with relief for Haiti. The Harris Rosen Foundation has joined U.S. Senator Bill Nelson’s office and several local Haitian community groups to help the victims of the earthquake. The foundation hopes to raise \$1 million in the next 30 days. Schell will distribute Haiti relief contribution information to the trustees.

**ANNOUNCEMENTS AND ADJOURNMENT**

Chair Walsh announced that the next Board of Governors meeting is scheduled for January 27-28, 2010, at the University of South Florida in Tampa.

The Association of Governing Boards conference is scheduled for March 19-23, 2010, at ChampionsGate in Orlando.

The next Board of Trustees meeting will be March 25, 2010, in the Live Oak Center on the UCF Orlando campus.

Chair Walsh adjourned the board meeting at 1:51 p.m.

Respectfully submitted: \_\_\_\_\_ Date: \_\_\_\_\_

John C. Hitt  
Corporate Secretary