



Board of Trustees  
Finance and Facilities Committee Meeting  
Live Oak Center  
January 31, 2013

**MINUTES**

**CALL TO ORDER**

Trustee Olga M. Calvet, chair of the Finance and Facilities Committee, called the meeting to order at 11:18 a.m. Committee members Jim Atchison, Ida Cook, Robert Garvy, Marcos Marchena, and Cortez Whatley were present. Committee member John Sprouls attended via teleconference. Board members present were Michael Grindstaff, Richard Crotty, and Alan Florez. Board members Ray Gilley and John Sprouls attended via teleconference.

**NEW BUSINESS**

UCF Investment Quarterly Update (INFO-1)

William F. Merck II, Vice President for Administration and Finance and Chief Financial Officer, Tracy Clark, Assistant Vice President and Controller, and Dave West, Senior Consultant for The Bogdahn Group, gave a background review and an update of UCF investments and the investments quarterly report.

Revision to UCF Investment Policy (FFC-1)

Merck reviewed the proposed revisions to the UCF Investment Policy that would allow moving some money from Pool I where we were being ultra conservative to ensure liquidity when we established our investments in 2010. Experience has shown that the level of liquidity in Pool I is not needed. The proposal is to move \$30 million from Pool I into Pool III, which has longer maturities. Pool I is money market funds. Pool IV allows for short and intermediate term bonds. It was suggested that the move of funds being proposed should only go into federally guaranteed investments. Dave West of The Bogdahn Group explained that the proposed change would still be domestic investments and will still be high quality. A concern was noted that to move out of federally guaranteed obligations or agency obligations will incur risk of default. It was proposed that if we move to expend maturities we stay with federal government agencies. Members decided to table the item until information on other alternatives were provided at the next meeting.

Key Financial Ratios (INFO-2)

Merck and Clark reviewed the key financial ratios.

Construction of Housing and Residence Life Support Building (INFO-2)

Maribeth Ehasz, Vice President for Student Development and Enrollment Services, reported that tax exempt revenue bonds were sold in January 2012 by the State Division of Bond Finance to fund the construction of the Academic Village Expansion Project, the Greek Life Center, one Greek House, and capital improvements to the UCF housing system. Support space was to be incorporated into the ground floors of the residential buildings. After the bond sale and during the guaranteed maximum pricing phase of the project, it was determined that there was insufficient funding to build all of the building support space that was in the project program. The support space was designed and priced as an alternate project. The support space needs to be constructed now by the current design and construction team in order to maintain the Guaranteed Maximum Price. The price of the support building is \$1,768,906, and the amount remaining in the project contingency fund is \$1,684,887. The Department of Housing and Residence Life has sufficient cash reserves to fund the \$84,019 shortfall, up to \$270,000, if needed. A motion was made and unanimously approved to proceed with the construction of the support space building, and for Housing and Residence Life to use its reserve funds of up to \$270,000 to fund construction of this building.

Amendment to the 2010 Campus Master Plan for UCFAA (FFC-2)

Merck and David Hansen, Senior Associate Athletics Director, Internal Operations, reviewed the plan to change the Future Land Use, Capital Improvements, Urban Design, and Recreation Open Space Elements of the 2010 Campus Master Plan to support the proposed Wayne Densch Center for Student-Athlete Leadership. The proposed amendment changes the name of the facility from Athletic Academic Performance Center to Wayne Densch Center for Student-Athlete Leadership and moves the site to the east side of Bright House Networks Stadium. The committee unanimously approved the minor amendment to the master plan and the name of the Wayne Densch Center for Student-Athlete Leadership.

Revision to Articles and Bylaws of the UCF Research Foundation (FFC-3)

Kevin Buckley, Associate General Counsel, Office of Research and Commercialization, reported that approval was requested for the proposed Second Amended and Restated Articles and Bylaws of the University of Central Florida Research Foundation to make corrections and to provide consistency among UCF Direct Support Organizations. The Research Foundation Board of Directors voted in favor of adopting these amendments. The committee members voted unanimously to approve the revisions to the Articles and Bylaws of the UCF Research Foundation.

Chair Calvet adjourned the Finance and Facilities Committee meeting at 12:25p.m.

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

William F. Merck II  
Vice President for Administration and Finance  
and Chief Financial Officer

\_\_\_\_\_ Date