

Minutes
Board of Trustees Meeting
University of Central Florida
November 17, 2016

Chairman Marcos Marchena called the meeting of the Board of Trustees to order at 1:00 p.m. in the *FAIRWINDS* Alumni Center on the UCF Orlando campus.

Marchena reminded the board that the meeting was covered by the Florida Sunshine Law and that the public and press were invited to attend.

WELCOME

He welcomed the board members and called on Rick Schell, Associate Corporate Secretary, to call the roll. Schell determined that a quorum was present.

The following board members attended the meeting: Chairman Marcos Marchena, Vice Chair Robert Garvy, Trustees Ken Bradley, Clarence Brown, Christopher Clemente, Joseph Conte, Ray Gilley, Keith Koons, Alex Martins, David Walsh, and William Yeargin. Trustee John Sprouls attended via teleconference.

PUBLIC COMMENT

There were no requests for public comment.

Marchena called on Sprouls to present the Compensation and Labor Committee Report due to Sprouls' travel schedule.

COMPENSATION AND LABOR COMMITTEE REPORT

John Sprouls, Chair of the Compensation and Labor Committee, reported the highlights from the committee meetings held on October 20, 2016, and earlier in the day.

- At the October 20, 2016, committee meeting, Maureen Binder, Associate Vice President and Chief Human Resources Officer, reported on the 2013-16 Goals Accomplishments. Binder reported on the Performance Unit Plan Payments for the 2013-16 Cycle. She reported on the 2016-19 Performance Incentive Measures and Goals, and the 2016-19 Performance Unit Plan Awards.
- Sprouls reported on the Annual Report dated July 1, 2015-June 30, 2016.
- Youndy Cook, Deputy General Counsel, reported on the Amendments to University Regulations UCF-3.0032, Additional Compensation for UCF Employees, UCF-3.040 Benefits and Hours of Work, and UCF-3.044 Compensation.
- Sprouls reported on the Assessment of the President's Performance and Recommendation for Compensation.

- Marchena noted that this year UCF tied for first place in the Board of Governors performance funding model and addressed the 2016-19 Performance Incentive Measures and Goals.
- Sherry Andrews, Associate General Counsel and Associate Provost, provided highlights on the agreement recently made with the United Faculty of Florida. She reported on Article 3: UFF Privileges, Article 8: Appointment, Article 23: Salaries, and Article 24: Benefits of the Collective Bargaining Agreement with the United Faculty of Florida. One of the trustees asked Andrews for numbers on salaries. These were provided to trustees later in the meeting by Tracy Clark, Associate Provost for Budget, Planning, and Administration and Associate Vice President for Finance.

Sprouls presented the following item for board approval.

- CL-1 Report on the Assessment of the President’s Performance and Recommendation for Compensation—A motion was made and unanimously passed by the board approving the Compensation and Labor Committee’s report on the assessment of the president’s performance and its recommendation for compensation.

Marchena called for approval of the September 15, 2016; October 6, 2016; and October 24, 2016, meeting minutes, which were unanimously approved with one non-substantive correction.

Marchena called on President John C. Hitt for remarks and introductions.

REMARKS

Hitt congratulated the College of Medicine and Deborah German, Vice President for Medical Affairs and Dean of the College of Medicine, for the 10th Anniversary Gala held on the medical school campus earlier this month.

Hitt provided an update on the university’s teaching hospital, stating that the public-private partnership proposal was filed with the Board of Governors on October 27, 2016. Members of the UCF Academic Health team have met individually with Chancellor Criser, Chair Kuntz, and Governor Levine to discuss the plans, and individual meetings with governors will be held. The team is responding to questions from the staff of the Board of Governors and the Division of Bond Finance. Academic Hospital P3 proposal will be considered by the Board of Governors at its meeting on January 25-26, 2017, in Lakeland.

Hitt reported that in the concurrent certificate of need process, both Florida Hospital and Orlando Health have filed statements of opposition to the certificate of need application. The UCF Academic Health team is working with HCA and the certificate of need consultants on responses. While addressing their opposition, UCF also is emphasizing the commitment to continuing the important relationships with each of our hospital partners. The initial ruling by Agency for Health Care Administration on the certificate of need is expected on December 2.

Hitt announced that the IGNITE Campaign for UCF was launched on campus in September 2016 and is now being showcased nationally through a series of rollout receptions. Hitt noted that

event locations for the coming year include Houston; Orlando; Naples; Atlanta; Los Angeles; Seattle; and Washington, D.C., and that each event highlights how UCF is changing lives and livelihoods and the important role of philanthropy in our growth and progress. Hitt thanked Trustee Beverly Seay and Chair *Emeritus* Rick Walsh for their participation.

In athletics news, Hitt announced that the men's and women's basketball seasons have started. Hitt stated we are looking forward to great seasons with new head coaches Johnny Dawkins and Katie "Coach Abe" Abrahamson-Henderson.

Hitt reported that UCF's recent Focus Breakfast was held at the Ballroom at Church Street Station. He noted that Chair *Emeritus* Rick Walsh and he participated in an interview-format dialogue and discussed UCF's current and future projects for an audience of approximately 350.

INTRODUCTIONS

Hitt acknowledged and congratulated the following staff members.

A. Staff Members

One of the world's leaders in liquid-display technology has selected for its "2016 Displaying Futures Award" a UCF project led by Debashis Chanda, CREOL researcher and professor, and graduate student Daniel Franklin. The Germany-based company Merck selected UCF's plasmatic full-color display project as its top pick from 30 others in an international invitation-only competition. The award comes with \$50,000 seed money.

B. Employee of the Month

The Employee of the Month for August was Denise Whiteside, senior administrative assistant in the College of Optics and Photonics for 10 years.

The Employee of the Month for September was Nicholas Schenk, senior admissions specialist in the Political Science Department for six years.

The Employee of the Month for October was Katie Connolly, office manager for the College of Health and Public Affairs for seven years.

REPORTS

Marchena introduced Richard Beary, Associate Vice President and Chief of Police, who reported on the following.

- INFO-1 Campus Safety Presentation

ADVANCEMENT COMMITTEE REPORT

Clarence Brown, Chair of the Advancement Committee, reported the highlights from the committee meeting held earlier in the day.

- Michael Morsberger, Vice President for Alumni Relations and Development and CEO, UCF Foundation, Inc., provided a report on the campaign's progress and summarized the activities taking place with the campaign rollout events planned across the country in 2017. He noted that visits are planned to alumni in Naples; Atlanta; Los Angeles; Seattle; and Washington, D.C.
- Dan Holsenbeck, Senior Vice President for University Relations, reported on the legislative budget request process, noting UCF's top priorities for funding. He shared an update on post-election UCF representation in the Florida House and Senate, highlighting Amber Mariano, a UCF senior who is the youngest person elected to the Florida House of Representatives. Mariano participated in UCF's Legislative Scholars Internship program.
- Grant Heston, Vice President for Communications and Marketing, provided a national media update. He noted highlights from the most recent edition of *Pegasus* Magazine and spoke about the feature story of UCF's response to the Pulse Night Club shootings.
- Chad Binette, Assistant Vice President for News and Information, gave a presentation on UCF's national media presence and discussed the strategies UCF uses to receive more media attention at a national level.

EDUCATIONAL PROGRAMS COMMITTEE REPORT

Robert Garvy, Chair of the Educational Programs Committee, reported the highlights from the committee meeting held earlier in the day.

- A. Dale Whittaker, Provost and Executive Vice President, reported on the Conferral of Degrees for Fall 2016 commencement ceremonies on December 16 and December 17, 2016.

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| 4,716 | baccalaureate degrees |
| 668 | master's degrees |
| <u>99</u> | doctoral and specialist degrees |
| 5,481 | Total |
- Whittaker reported on the 2016-17 Tenure with Hire.
- Cynthia Young, Vice Provost for Faculty Excellence and International Affairs and Global Strategies, reported on the Amendment to University Regulation UCF-2.009 Admission of International Students.
- Whittaker provided the provost's update that included a faculty spotlight on Bradley J. Willenberg, Ph.D., who presented a short summary describing two of his main research projects focused on (1) building a transplantable kidney, and (2) developing new mosquito surveillance tools with colorimetric readouts.
- Whittaker shared news about the launch of the UCF chapter of National Academy of Inventors. Twenty-nine faculty members were inducted into the first class. Collectively, they hold 541 patents, 64 licenses, and 20 startup companies. The NAI chapter hopes to grow its membership in the coming years.

- Whittaker reported on the recent DirectConnect annual presidents' meeting, and he shared plans to meet regional and state demand for more nurses with the consortium's recommendation to pursue additional nursing degrees at several DirectConnect partner state colleges.
- Whittaker shared an update on the institutionalization of the Collective Impact Strategic Plan, including Provost Forums to track the university's progress in key metrics. The first forum addressed research and graduate programs.
- Whittaker presented a video from the university's submission to the \$100 million MacArthur Foundation challenge, which focused on eliminating income as a predictor of college success. He cited recent data showing an increasing gap in low- and high-income students' graduation rates and spoke about UCF's work with other institutions in the University Innovation Alliance to help close this gap.

FINANCE AND FACILITIES COMMITTEE REPORT

Alex Martins, Chair of the Finance and Facilities Committee, reported highlights from the committee meeting held on October 12, 2016, and earlier in the day.

- William F. Merck II, Vice President for Administration and Finance and Chief Financial Officer, Maribeth Ehasz, Vice President for Student Development and Enrollment Services, and Karen Hofmann, Director of Counseling and Psychological Services, reported on the critical demand for mental health services on campus and the need for approximately \$322,000 to hire four new counselors at the Counseling and Psychological Center. The University Fee Committee, which is comprised of students and university staff, met prior to October 12, 2016, and they recommended raising the health fee by \$.50 per credit hour to fund the positions. University staff chose not to raise the health fee and, instead, to internally fund the positions with non-recurring funds due to the important need currently on campus. UCF will seek funding for counselors in the state's legislative budget request. Martins noted that Marchena had suggested that UCF consider using performance based funding or departmental budgets to accommodate the need in the future. Merck and Ehasz made a presentation to the Florida Board of Governors on the issues of mental health on campuses across the state. Martins recommended that this topic be discussed at the January 2017 Board of Trustees meeting, along with a form of that presentation.
- Merck and Curt Sawyer, Associate Vice President for University Services, reported on the seven-year extension of the pouring rights agreement with Coca Cola.
- Tracy Clark, Associate Provost for Budget, Planning, and Administration and Associate Vice President for Finance, reported on the University Operating Budget Report for the quarter that ended June 30, 2016, as well as the UCF Investments Quarterly Report that ended June 30, 2016.
- Merck, Lee Kernek, Associate Vice President for Administration and Finance, and John C. Pittman, Associate Vice President for Administration and Finance, Debt Management, reported the results of an engineering study on the proposed Tri-generation Facility for UCF Downtown.
- Scott Cole, Vice President and General Counsel, and Michael Georgiopoulos, Dean of the College of Engineering and Computer Science, discussed turning Limbitless

Solutions, Inc. into a university Direct Support Organization. Limbitless Solutions, Inc. is a non-profit 501(c3) corporation. This matter will be heard before the full board on December 1, 2016, at a teleconference meeting.

- Merck and Pittman reported on the Direct Support Organizations' 2015-16 Fourth-Quarter Financial Reports ending June 30, 2016.
- Merck reported on the 2017 Finance and Facilities Committee meeting dates.
- Martins stated that the committee meeting earlier in the day discussed a memorandum to address the Life Sciences Incubator needs of the UCF community at Lake Nona. It was determined that the 12-year lease agreement needs additional review by the general counsel. University staff will present the reviewed contract to the board at the December 1, 2016, teleconference meeting.
 - Martins requested that FF-2–Lake Nona Incubator Lease Agreement be removed from the consent agenda.

NOMINATING AND GOVERNANCE COMMITTEE REPORT

William Yeargin, Chair of the Nominating and Governance Committee, reported highlights from the committee meeting held on October 20, 2016.

- Yeargin reported that the committee was reviewing the presidential selection process, as well as the guidelines for presidential authority. The committee plans to soon bring recommendations related to these reviews to the board.

INFORMATION

Marchena noted the following informational item.

- INFO-2 2017 Finance and Facilities Committee Meeting Dates

CONSENT AGENDA

A motion was made to accept the amended consent agenda, removing item FF-2 Lake Nona Incubator Lease Agreement, and removing for separate discussion items CL-4 2016-19 Performance Incentive Measures and Goals, and CL-5 2016-19 Performance Unit Plan Awards, and members of the board unanimously approved the following actions.

- ADV-1 Amended UCF Foundation Bylaws—Approval of the amendments to the UCF Foundation Bylaws
- ADV-2 Second Amended and Restated Advancement Committee Charter—Approval of the Second Amended and Restated Advancement Committee Charter
- CL-2 The 2013-16 Goal Accomplishments—Approval of the 2013-16 Goal Accomplishments documented by the University Audit Office

- CL-3 Performance Unit Plan Payments for the 2013-16 Cycle—Approval of Performance Unit Plan Payments earned by participants for the 2013-16 cycle for accomplishment of the three-year performance measures set by the Board of Trustees on November 14, 2013
- CL-6 The Annual Report, July 1, 2015-June 30, 2016—Approval of the Annual Report, July 1, 2015-June 30, 2016
- CL-7 Amendments to University Regulations UCF-3.0032 Additional Compensation for UCF Employees, UCF-3.040 Benefits and Hours of Work, and UCF-3.044 Compensation—Approval of amendments to University of Central Florida Regulations UCF-3.0032, UCF-3.040, and UCF-3.044
- CL-8 Article 3: UFF Privileges, Article 8: Appointment, Article 23: Salaries, and Article 24: Benefits of the Collective Bargaining Agreement with the United Faculty of Florida—Ratification of the reopened articles of the Collective Bargaining Agreement between the University of Central Florida Board of Trustees and the United Faculty of Florida
- EP-1 Conferral of Degrees—Approval of conferral of degrees at the Fall 2016 commencement ceremonies
- EP-2 Amendment to University Regulation UCF-2.009 Admission of International Students—Approval of amendments to University of Central Florida Regulation UCF-2.009
- EP-3 2016-17 Tenure with Hire—Approval of tenure with hire
- FF-1 Pouring Rights Agreement—Approval of the renewal of the pouring rights agreement with Coca-Cola

Marchena presented CL-4 2016-19 Performance Incentive Measures and Goals and CL-5 2016-19 Performance Unit Plan Awards for the board’s approval. A motion was made and unanimously passed by the board to table items CL-4 and CL-5 until the December 1, 2016, Board of Trustees meeting.

NEW BUSINESS

Marchena reported that Helen Donegan had periodically organized lunches for him with different community groups. His objective has been to learn of people’s perception of the university and to ask them what they think we need to do to get information about the university to the community. At the last lunch, someone suggested that “we and they” need to be armed with a 45-second elevator speech about UCF. Marketing is working on a brief summary of the university’s goals and achievements.

Marchena mentioned that he would be meeting with the governor and the 12 chairs of the SUS board of trustees at the governor's request to discuss a number of items regarding our universities. Each chair is going to report on a best practice at his or her university. Marchena will discuss UCF's distance learning initiative with that group.

ANNOUNCEMENTS AND ADJOURNMENT

Marchena announced the following upcoming meetings:

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| Board of Trustees special meeting | December 1, 2016 (Call-in or President's Boardroom, Millican Hall) |
| Board of Trustees meeting | January 13, 2017 (Date changed from January 19) (FAIRWINDS Alumni Center) |
| Board of Governors meeting | January 25-26, 2017 (Florida Polytechnic University) |

Marchena invited the trustees to join him at the Victory Knight for the annual photo.

Marchena adjourned the board meeting at 2:22 p.m.

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