



**Board of Trustees
Compensation and Labor Committee**

Teleconference Meeting

September 9, 2013

1:30 p.m.

**President's Board Room Millican Hall, 3rd floor
800-442-5794, passcode 463796**

AGENDA

I. CALL TO ORDER

John Sprouls
*Chair of the Compensation and
Labor Committee*

II. MEETING MINUTES

- Approval of the June 27, 2013, and July 16, 2013, meeting minutes

Chair Sprouls

III. NEW BUSINESS

- Article 2: Definitions, Article 7: Wages, and Article 29: Advance Notice of Separation of the Collective Bargaining Agreement with the American Federation of State, County, and Municipal Employees (CLC-1)
- Performance Unit Plan , Section 9, Leaves of Absence/Other Permitted Retirement (CLC-2)
- Revision to the Compensation and Labor Committee Charter (CLC-3)
- Discussion of the annual presidential performance and compensation review cycle and assessment questions (Attachment 1)

Chair Sprouls
Mark Roberts
*Associate Vice President and
Chief Human Resources Officer*

Chair Sprouls
Mark Roberts

Chair Sprouls
Mark Roberts

Chair Sprouls
Mark Roberts

IV. CLOSING COMMENTS

Chair Sprouls



**Board of Trustees
Compensation and Labor Committee
Teleconference Meeting
June 27, 2013
Millican Hall 395E**

MINUTES

CALL TO ORDER

Chair John Sprouls called the meeting to order at 10:02 a.m. Committee members Marcos Marchena and Ray Gilley attended via teleconferencing.

MEETING MINUTES

The minutes of the February 20, 2013, meeting were approved as submitted.

NEW BUSINESS

Revised employment agreement for President Hitt (CLC-1)

A revised employment agreement for President Hitt was presented to the committee. The changes to the existing agreement alter the retention compensation section in order to be compliant with changes to the Florida Statutes regarding severance pay. The proposed change is that the president shall accrue one year of additional base salary for services rendered from July 1, 2013, through June 30, 2014. The additional compensation shall be payable upon the effective date of any termination without cause or upon completion of the employment agreement. There was no change in President Hitt's base compensation or in the duration of the employment agreement. After discussion, the committee members unanimously approved the revisions.

CLOSING COMMENTS

There being no further discussion, Chair Sprouls adjourned the meeting at 10:10 a.m.

Respectfully submitted:

A handwritten signature in blue ink that reads 'Mark A. Roberts'.

Mark A. Roberts
Associate Vice President and
Chief Human Resources Officer

September 9, 2013

Date



**Board of Trustees
Compensation and Labor Committee
July 16, 2013
Millican Hall 395E**

MINUTES

CALL TO ORDER

Chair John Sprouls, called the meeting to order at 9:45 a.m. Committee members Marcos Marchena and Ray Gilley were present; Olga Calvet and Michael Grindstaff attended via teleconference.

NEW BUSINESS

Discuss Board's authority at impasse

Youndy Cook, Deputy General Counsel, explained that the committee was requested to resolve only those disputed items presented by either party to the board.

IMPASSE PRESENTATIONS AND DISCUSSION


United Faculty of Florida and University of Central Florida

University of Central Florida and the United Faculty of Florida presented impasse resolution recommendations for Articles 3 (UFF Privileges), 8 (Assignments), and 23 (Salaries). The parties had mutually agreed to bypass the Special Magistrate procedure and submit the disputed issues at impasse directly to the Board of Trustees for resolution. Candi Churchill, Service Unit Director for the UFF, presented UFF's position. Michael Mattimore, counsel representing the University of Central Florida, presented arguments on behalf of the university. Each side was allotted equal time to present their positions regarding the articles in dispute.

The Committee determined, by unanimous vote of those present, to make the following recommendation to the Board of Trustees for resolution of the disputed issues at impasse: (1) adopt the version of Article 3 (UFF Privileges) proposed by the Administration, which removed release time for UFF representatives; (2) adopt the version of Article 8 (Assignments) proposed by the Administration which contained new language for study abroad programs, not requiring an annual report; additionally, refer the matter of summer appointments to the BOT Audit, Operations Review, Compliance, and Ethics Committee for its consideration; and (3) adopt the version of Article 23 (Salaries) proposed by the Administration. Note that each Administration proposed article, where applicable, also incorporated changes to existing language that had been agreed to by the UFF.

CLOSING COMMENTS

There being no further discussion, Chair Sprouls adjourned the meeting at 11:30 a.m.

Respectfully submitted:  September 9, 2013
Mark A. Roberts
Associate Vice President and
Chief Human Resources Officer
Date

**University of Central Florida
BOARD OF TRUSTEES
Compensation and Labor Committee**

SUBJECT: Article 2: Definitions, Article 7: Wages, and Article 29: Advance Notice of Separation of the Collective Bargaining Agreement with the American Federation of State, County, and Municipal Employees

DATE: September 9, 2013

PROPOSED COMMITTEE ACTION

Recommend ratification of the reopened articles of the collective bargaining agreement between the University of Central Florida Board of Trustees and the American Federation of State, County, and Municipal Employees.

BACKGROUND INFORMATION

A three-year collective bargaining agreement was negotiated between the University of Central Florida Board of Trustees and three units: the Blue Collar Unit, the Administrative and Clerical Unit, and the Other Professional Unit of the American Federation of State, County, and Municipal Employees for the period 2010-13. Pursuant to that agreement, the parties reopened negotiations on wages and two other articles in 2012 for the 2012-13 contract year. In those negotiations, the parties were able to reach agreement. The reopened articles are Article 2: Definitions, Article 7: Wages, and Article 29: Advance Notice of Separation. They were ratified by unit employees on June 24, 2013. The Collective Bargaining Committee appointed to represent the University of Central Florida Board of Trustees recommends the approval of Article 2: Definitions, Article 7: Wages, and Article 29: Advance Notice of Separation.

Supporting documentation: Final agreed language on Article 2: Definitions, Article 7: Wages, and Article 29: Advance Notice of Separation

Prepared by: Mark Roberts, Associate Vice President and Chief Human Resources Officer

Submitted by: John Sprouls, Chair of the Compensation and Labor Committee

Article 2

DEFINITIONS

The terms used in this Agreement are defined as follows:

2.1 “AFSCME Staff Representative” means an individual employed by AFSCME and designated by AFSCME to represent employees pursuant to this Agreement.

2.2 “Days” means calendar days.

2.3 “Employee” means a member of the bargaining unit described in Article 1.

2.4 “Meet Performance Standards” means an employee has been evaluated as having an overall rating that indicates that the employee’s work performance achieves the standards established by the University for the position.

2.5 “Position” means a regular position in a classification included in the bargaining unit described in Article 1.

2.6 “President” means the President of the University or his/her designee.

2.7 “President of Council 79” includes his/her representatives.

2.8 “Regular Status” is earned by an employee after successfully completing the specified probationary period. Regular status provides the employee with rights to appeal adverse action taken against the employee.

2.9 “Steward/AFSCME Employee Representative” means an employee who has been designated by AFSCME to investigate grievances and to represent grievants in grievances which have been properly filed under the grievance procedure of this Agreement when AFSCME has been selected as the employee’s representative.

2.10 “Discharge” means a termination action in accordance with Article 22 Disciplinary Action.

Article 7

WAGES

7.1 Salary Increases.

No salary increases are provided by the University for the 2012-13 fiscal year.

7.2 Other Funds. Eligible employees whose salaries are funded from a contract, grant, auxiliary, or local fund shall receive salary increases equivalent to employees whose salaries are funded from E&G sources, provided that such salary increase funds are available within the contract, grant, auxiliary, or local fund. In the event such salary increases are not permitted by the terms of the contract or grant, or in the event adequate funds are not available, the University shall seek to have the contract or grant modified to permit such increases.

7.3 Nothing contained herein prevents the University from providing salary increases beyond those increases specified.

Article 29

ADVANCE NOTICE OF SEPARATION

29. Advance Notice of Separation.

A. USPS employees have no expectation of continued employment beyond that specified in University Regulation UCF-3.038. An employee may only be issued a written Advance Notice of Separation by Human Resources, in accordance with University Regulation UCF-3.038. Any separation for cause, however, falls primarily under Article 22 “Disciplinary Action,” and University Regulation UCF 3.0191.

B. Any employee receiving a written Advance Notice of Separation shall receive such notice six months prior to the effective date of separation, in accordance with university regulation.

C. The decision to issue an Advance Notice of Separation to a USPS employee shall not be based on constitutionally or statutorily impermissible grounds.

D. To successfully contest a written Advance Notice of Separation, the employee must establish that the action taken by the University was arbitrary and capricious, or because of an alleged violation of law. A contest of an Advance Notice of Separation will be subject to the grievance procedure set forth in Article 23. An employee is not precluded from filing an EEOC or FCHR charge alleging unlawful discrimination.

E. Any employee receiving a written Advance Notice of Separation shall receive a neutral reference from their most recent supervisor. If the affected employee accurately reports their supervisor on the UCF application, any prospective UCF employer considering hiring the employee during the six months prior to the effective date of separation shall receive only the neutral reference from the most recent supervisor. The neutral reference shall include: beginning and ending date of employment, position held, job summary of duties and responsibilities, most recent rate of pay while employed, and most recent five years of performance appraisals.

**University of Central Florida
BOARD OF TRUSTEES
Compensation and Labor Committee**

SUBJECT: Performance Unit Plan, Section 9; Leaves of Absence and Other Permitted Retirement

DATE: September 9, 2013

PROPOSED COMMITTEE ACTION

Approval of President Hitt's recommendation for continued participation in the Performance Unit Plan by Vice President Helen Donegan from September 30, 2013, to April 1, 2014.

BACKGROUND INFORMATION

Vice President Donegan must retire on September 30, 2013, at the conclusion of her five-year Deferred Retirement Option Program (DROP) period, in accordance with Florida Statutes. President Hitt will approve her rehire on April 1, 2014, subsequent to the required six months of non-employment with any Florida Retirement System employer.

Section 9 of the Performance Unit Plan (PUP), entitled "Leaves of Absence/Other Permitted Retirement," requires the approval of the Compensation and Labor Committee in advance of a participant's leave of absence or leave other than permitted retirement.

President Hitt recommends, that the Compensation and Labor committee approve Vice President Donegan's six-month leave of absence and her continuing participation in the PUP provided she returns to the position of vice president, and that any subsequent distributions be determined on a pro rata basis as specified in Section 10(a) of the plan.

Supporting documentation: Performance Unit Plan

Prepared by: Mark Roberts, Associate Vice President and Chief Human Resources Officer

Submitted by: John Sprouls, Chair of the Compensation and Labor Committee

University of Central Florida

PERFORMANCE UNIT PLAN FOR PRESIDENT AND OTHER SENIOR OFFICERS Effective as of February 20, 2013

SECTION 1

PURPOSE OF PLAN

The purpose of this Performance Unit Plan is to attract talented, diverse, competent and resourceful Senior Officers to the University and to provide a strong incentive for such Senior Officers to remain with the University for a period of time in order to meet certain performance goals for the University. The Plan is intended to provide incentive compensation related to the long-range success of the University.

SECTION 2

DEFINITIONS

- (a) "**Adverse Financial Situation**" shall mean a determination by the Board and in its discretion prior to a Payment Date and upon recommendation of the Committee after consultation with the President, that with respect to any Performance Period the financial conditions impinging upon the University are sufficiently detrimental to warrant the reduction, modification, suspension or elimination of incentive compensation with respect to that Performance Period.
- (b) "**Award**" shall mean the determination by the Committee, and approved by the Board, that a Participant should receive a given number of Performance Units, as evidenced by an Award Notification Letter given a Participant at the time of such determination.
- (c) "**Award Notification Letter**" shall mean a writing executed by either the Chair of the Committee or the Chair of the Board addressed to a Participant advising that Participant as to the number of Performance Units which have been awarded to that Participant for a Performance Period and other matters relating thereto, in form and substance as is acceptable to the Committee. The general form of said Letter for an individual Participant is attached hereto as **Exhibit "A"** and for Group Participants is attached hereto as **Exhibit "B"**.
- (d) "**Board**" shall mean the University of Central Florida Board of Trustees.
- (e) "**Committee**" shall mean the Compensation and Labor Committee of the University's Board of Trustees, or such alternate or successor committee as may be determined by the Board from time to time.
- (f) "**Group**" shall mean those Participants in the Plan (other than the President) who are treated in the aggregate and as a single Participant in the Plan, as provided under Section 4(b) below. This provides as an alternative to treating each Senior Officer as an Individual Participant, for the President to recommend and the Committee to approve the

treatment of all the Senior Officers (who may be so recommended by the President) as a single Group and a single Participant under the Plan. If the Senior Officers are so treated as a Group, then other Definitions and provisions of this Plan will be appropriately modified as determined by the Committee. For example, in the event of a Group, the Performance Units awarded shall be deemed to be awarded to the Group in the aggregate.

- (g) "**Involuntary Condition or Event**" shall mean any of Involuntary Termination, Long Term Disability, Permitted Retirement, Reassignment or death. The date of each event shall be (i) in the event of Involuntary Termination, the date of termination, (ii) in the event of Long Term Disability, the date said disability effectively precludes the Participant from substantially fulfilling his/her duties, as reasonably determined by the Committee, (iii) in the event of Permitted Retirement, the date that the Participant effectively retires from his/her position with the University, (iv) in the event of Reassignment, the date that the Participant is effectively so reassigned with a change of duties, and (v) in the event of death, the date of death.
- (h) "**Involuntary Termination**" shall be the termination of a Participant's employment by the University without cause.
- (i) "**Leave of Absence**" shall mean a period of time during which the Participant takes a leave of absence from his/her employment with the University during any Performance Period, or part thereof, as agreed to between the University and the Participant, with the intent for the Participant to return to his/her position with the University at the end of said period. For example, and included within said term "Leave of Absence" is the provision under the State retirement plans which allows employees to retire, remain off the payroll for six months, and then be rehired to continue his/her employment with certain retirement benefit restrictions. Whether or not any such provision constitutes a Leave of Absence under this definition shall be within the determination of the Committee.
- (j) "**Long Term Disability**" shall mean the inability of a Participant to perform his/her duties of the position for three continuous months or a total of four months in any continuous six month period, as determined by the Committee.
- (k) "**Participant**" shall mean (i) the President, and (ii) such other Senior Officers of the University recommended by the President and approved by the Committee.
- (l) "**Payment Date**" shall mean a date determined by the Committee at the time of the Award for purposes of making payment to the Participant. This date shall be no later than December 31st of the calendar year in which the respective Performance Period concludes.
- (m) "**Performance Criteria**" shall mean such internal performance criteria for the University as determined by the Committee in its discretion, subject to Board approval. Such criteria shall include a target for payment of the Performance Unit at full face value and upper and lower limits for the measurement of payment to Participants. Thus, for each beginning July 1, the Committee shall recommend (subject to Board approval) the Performance Criteria for the ensuing three year period (i.e. a Performance Period) for each Participant and determine the Awards for each Participant during said Performance Period.
- (n) "**Performance Period and Periods**" shall mean a period of three years, each beginning on July 1, and ending on June 30, three years thereafter (with the initial Performance

Period beginning on July 1, 2006 and ending June 30, 2009). During each Performance Period, Performance Criteria allocable to each Participant (or in the event of Senior Officers, as a Group in the aggregate) shall be measured for purposes of calculating the payment with respect to each Performance Unit for that Participant.

- (o) "**Performance Unit**" shall mean a unit of participation with a face value each of \$100.00 which shall constitute the basis from which a Participant's payment shall be determined with regard to Performance Criteria established for that Participant. The actual number of Performance Units shall be set by the Committee and approved by the Board in their discretion.
- (p) "**Permitted Retirement**" shall mean in the case of a Participant who at the time is age 62 years or more and has six or more years of continuous service and employment with the University, retires from employment with the University, and the purpose of such retirement is to effect actual, good faith retirement, without any intent or purpose to thereafter become employed at some future date with the University or to seek employment with any other university, college, or other institution of higher learning, and who does not at a future date become re-employed by the University or any other university, college or other institution of higher learning.
- (q) "**Plan**" shall mean this Performance Unit Plan, as recommended by the Committee and approved by the Board, as the same may be amended or modified from time to time.
- (r) "**President**" shall mean the President of the University.
- (s) "**Pro Rata Share**" (or similar phrase such as "Pro Rata Basis") shall mean the portion of an Award that would otherwise have been paid to the Participant, but for the occurrence of an Involuntary Condition or Event during the Performance Period, as set forth in Section 10 below.
- (t) "**Reassignment**" shall mean a change of Participant's position with the University which results in a material change in the duties and responsibilities of that Participant to contribute towards the successful meeting of the Performance Criteria.
- (u) "**Senior Officers**" shall mean those senior officers of the University other than the President whose duties and responsibilities are relevant to and supportive of the Performance Criteria established for the President under this Plan, as recommended by the President and approved by the Committee.
- (v) "**University**" shall mean the University of Central Florida.

SECTION 3

PARTICIPATION IN PLAN

(a) Participation in the Plan shall not be a matter of right and shall be solely in the discretion of the Committee and approval by the Board. In the case of Senior Officers, participation in the Plan shall further be solely at the discretion of and upon the recommendation of the President, subject to approval by the Committee and the Board.

b) Participation in the Plan for any Performance Period shall be evidenced by an Award Notification Letter. Such Award Notification Letter shall comply with and be subject to the terms and conditions of this Plan.

(c) Participation in the Plan for one Performance Period shall not guarantee continuing participation in any subsequent Performance Period or if continuing, shall not guarantee any continuing basis as to the number of Performance Units to be given to any Participant, it being in the discretion of the Committee, as approved by the Board, as to the continuing participation in the Plan by any person and, if so, the Performance Criteria and the number of Performance Units to a Participant during any particular Performance Period.

SECTION 4

GRANTING OF PERFORMANCE UNITS

The procedure for the granting of Performance Units shall be as follows:

(a) Annually, and generally after each August 1, the Committee shall meet and, for the applicable Performance Period, determine for recommendation to the Board (i) the persons who will be Participants in the Plan, (ii) Performance Criteria applicable to each Participant, and (iii) the Performance Units for each Participant. As a part of said review, the President shall submit to the Committee his/her recommendations as to those Senior Officers of the University to participate in the Plan, along with the related Performance Criteria and Performance Units for each such recommended Senior Officer, and whether or not the Senior Officers are to be treated as a Group for that applicable Performance Period. There shall be furnished to the Committee such information as the Committee may determine is necessary for the Committee to make said findings and determinations.

(b) In lieu of recommending Performance Criteria and Performance Units for Senior Officers on an individual basis, the President may, as an alternative, recommend to the Committee, for its review and approval (i) a Group of Senior Officers for participation in the Plan, (ii) the related Performance Criteria and Performance Units to be awarded to that Group of Senior Officers in the aggregate, and (iii) the method by which the President would recommend allocating to the individual Senior Officers in the Group the aggregate Awards to go to the Group. If the President should elect this option, then, in that event:

(i) Any provisions of this Plan which provide or relate to treating a Senior Officer as an individual Participant under the Plan shall be appropriately modified to reflect that all the Senior Officers who are Participants in the Plan shall be treated as a Group.

(ii) Any Award Notification Letter shall be modified so that it is directed to all such Senior Officers as a Group and shall further be modified to reflect the fact that all said Participants are treated as a Group, in such modified form as the Committee may determine.

(iii) The Group collectively shall be treated as a single Participant under the Plan so that the effect will be that performance by an individual Participant will not be a factor in meeting any Performance Criteria (and therefore obtaining any Award) but, rather, it will be the collective effort of all the Participants as a Group that will be used to determine whether the Performance Criteria has been met in the aggregate. If such Performance Criteria has been met, then the Award shall be made in the aggregate to the entire Group, and will therefore be divided or allocated among the individual Participants based on the method recommended by the President and approved by the Committee and the Board. If, on the other hand, the Performance Criteria

applicable to the Group has not been met, then no Participant in the Group will be entitled to any portion of the Award, notwithstanding any performance by that Participant during the Performance Period.

(iv) If during any Performance Period, an individual Participant in the Group should no longer remain in the Group due to an Involuntary Condition or Event then that person may, subject to the further provisions of this Plan, be entitled to share in any Award made to the Group in the aggregate, on a pro rata basis, based on the period of time that the Participant was a member of the Group, as set forth in Section 10 below.

(c) After reviewing said matters, the Committee shall recommend to the Board for its approval for said new Performance Period (i) the recommended Participants for said Performance Period, (ii) the Performance Criteria for each said Participants, and (iii) the number of Performance Units to be granted each Participant. The Board may, in its discretion, accept the recommendation of the Committee, in whole or in part, modify said recommendation, in whole or in part, or send said recommendation back to the Committee, in whole or in part, for a further recommendation to and review by the Board.

(d) Upon final approval by the Board, each Participant shall receive an Award Notification Letter evidencing the Award which shall specify: (i) the number of Performance Units granted to the Participant, (ii) the commencement and expiration of the relevant Performance Period, (iii) the Performance Criteria by which the payment value of the Performance Units will be determined, (iv) the Payment Date, and (v) such other information as may be appropriate as determined by the Chair of either the Committee or the Board who so executes said Letter.

(e) The foregoing process shall be determined by the Committee and the Board, in their sole discretion, and there will be no vested rights for any person to participate in the Plan for any ensuing Performance Period with respect to the terms of such Participation (if any). Furthermore, with respect to any Performance Units granted, the Board may reduce, modify, suspend or eliminate the payment value of such Performance Units subsequent to the determination of an Adverse Financial Condition notwithstanding that the Performance Criteria with respect to the Performance Period may have been met by the Participant in full.

SECTION 5

UNIVERSITY PERFORMANCE

The Performance Criteria with respect to each Award shall provide the standard by which the University's performance may be measured during the Performance Period specified in the Award. Actual University performance during the Performance Period shall determine the amount of payment to be received by each Participant at the Payment Date. Actual University performance during the Performance Period shall be reviewed and certified as accurate by the University Audit office, but the decision of the Board as to said performance shall be final during any Performance Period. The payment value of the Performance Units shall be adjusted to reflect the actual University performance during the Performance Period, within lower and upper limits established by the Board at the time of the Award.

SECTION 6

PAYMENT

(a) The amount payable with respect to each three-year cycle shall be contingent upon the attainment of Performance Criteria as established in the Award during the specified Performance Period and, subject to Section 10 below, the continued employment of the Participant for the entire Performance Period as defined in Section 8 hereof. The amount payable shall be further contingent upon the absence of a determination of an Adverse Financial Condition made at any time prior to a Payment Date relating to any Performance Periods described in an Award Notification Letter. Accordingly, the Performance Criteria established in an Award granted pursuant to this Plan shall authorize the Board to reduce, modify, suspend or eliminate incentive awards for any Performance Periods, when in the discretion of the Board, prudence deems such action appropriate

(b) With respect to any and all participants eligible to participate in the University of Central Florida Select Vice Presidents' Exclusive Benefit 401(a) Plan ("401(a) Plan"), amounts payable with respect to Performance Units under this Plan shall be allocated first as an employer non-elective contribution to the 401(a) Plan up to the limits established under Code Section 415. Alternatively, with respect to those participants who are not in the aforementioned group but who are or become eligible to participate in the University of Central Florida Select Vice Presidents' Exclusive Benefit 403(b) Plan ("403(b) Plan"), amounts payable with respect to Performance Units under this Plan shall be allocated first as an employer non-elective contribution to the 403(b) Plan up to the limits established under Code Section 415. With respect to any and all participants eligible to participate in both plans, amounts payable with respect to Performance Units under this Plan shall be allocated first to the 401(a) Plan up to the limits established under Code Section 415 with subsequent contributions allocated to the 403(b) Plan up to the separate Code Section 415 limits established for Code Section 403(b) Plans. However, as currently prescribed by the Federal Tax Code and Treasury Regulations, no 403(b) contributions on behalf of retired participants will be permitted more than five (5) years after retirement. All contributions to either the 401(a) Plan or 403(b) Plan will be made no later than December 31st following the end of the Performance Period to which the payment relates.

(c) The provisions of this Section 6(c) shall pertain to any remaining amounts payable to 401(a) or 403(b) Plan participants as described in Section 6(b) after accounting for the employer nonelective contributions mandated in that Section up to the maximum amounts permitted under Code Section 415. The provisions of this Section shall also pertain to all amounts payable to participants not described in Section 6(b). Any remaining amounts payable with respect to Performance Units under this Plan after satisfaction of the requirements of Section 6(b) may, upon a suitable and timely election by the Participant, be paid into a nonqualified deferred compensation arrangement established on behalf of any Participant as approved by the State or the Board, as appropriate, and may not result in any adverse affect to the University. Additionally, amounts due to be paid with respect to Performance Units under this Plan may, upon a suitable and timely election by the Participant also be contributed by way of salary deferral in to a University or state sponsored 403(b) or 457(b) plan in amounts not to exceed the individual contribution limits established under Code Sections 402(g) and 415. Any amounts not paid into a non-qualified deferred compensation arrangement or contributed to a University or state sponsored 403(b) or 457(b) Plan subsequent to a suitable and timely election will be paid as taxable income no later than December 31st following the end of the Performance Period to which the amount payable relates.

(d) A Participant shall obtain no absolute rights under any Award under this Plan until the conclusion of the applicable Performance Period and the attainment of the applicable Performance Criteria, except as expressly otherwise provided hereof. Thus, except as set forth in Section 10, the Participant must remain employed by the University in the position so designated in the Award Notification Letter during the entire three-year Performance Period.

(e) For good cause shown, the Committee may, in its absolute discretion, modify any of the above provisions, but this provision shall not grant any right to any Participant to any waiver or modification of any of the foregoing provisions.

SECTION 7

ADMINISTRATION

The Plan shall be administered under the supervision and direction of the Committee. In administering the Plan, while the Board will determine the number of Performance Units to be granted to the President and the Senior Officers, and establish appropriate Performance Periods and Performance Criteria as basis for payments under the Plan, the Committee will determine the Payment Date and methods and procedures for payment of Awards under the Plan. The Committee may establish procedures deemed appropriate for its administration and make any and all other determinations not herein specifically authorized which may be necessary or advisable for its effective administration. For example, if the President should elect to treat the Senior Officers as a Group, then the Committee may modify provisions of this Plan to reflect that recommendation. The chief human resources officer for the University will assist the Committee in administering the Plan. Further, it may be necessary from time to time to change or waive requirements of the Plan, or outstanding Performance Units, to conform to the law, to meet special circumstances not anticipated or covered in the Plan, or to carry on successful operation of the Plan, and in connection therewith, the Board shall have the full power and authority in its absolute discretion to:

(a) Prescribe, amend and rescind rules, regulations and procedures relating to the Plan, or outstanding Performance Units;

(b) Make any amendments to or modifications of the Plan which may be required or necessary to make the Plan set forth herein comply with the provisions of any laws, federal or state, or any regulations issued hereunder, and to cause the University at its expense to take any action related to the Plan which may be required under such laws or regulations.

In the event of any disagreements or disputes regarding any of the matters in this Plan including specifically the achievement of any Performance Criteria, the Committee shall, in its discretion, determine said matters, and if a Participant further disputes said findings by the Committee, then the Participant will if he/she wishes to further dispute said finding, so notify the Committee within thirty (30) days thereafter in writing of the desire by the Participant to appeal said finding to the Board. Absent said timely appeal, the finding of the Committee shall be final and, if appealed, the determination by the Board shall be final. No further appeals will be permitted. Further, any such findings by the Committee and the Board will be made by the Committee and the Board as they determine in their discretion. Notwithstanding the foregoing, nothing herein shall be deemed to authorize, and the Board and Committee will have no discretion, to alter or amend the Performance Criteria or the specific performance goals of Awards under the Plan after they have been approved by the Board and communicated to Participants in an Award Notification Letter.

SECTION 8

TERMINATION OF EMPLOYMENT OF PARTICIPANT

Participation in the Plan is based upon the continuing employment by a Participant for the length of the Performance Period in the position for which the Performance Units were granted. Thus, the rights of any Participant to any Performance Units during any Performance Period shall cease and all rights under the Plan and any Award hereunder are forfeited by the Participant upon termination of employment for any reason whatsoever prior to the end of the applicable Performance Period other than for an Involuntary Condition or Event. The foregoing shall not affect the right of the Committee in its absolute discretion to modify or waive any of the foregoing provisions as provided in Section 6(d).

SECTION 9

LEAVES OF ABSENCE/OTHER PERMITTED RETIREMENT

In the event the Participant desires to undertake a Leave of Absence, or to undertake any retirement other than Permitted Retirement, then, in that event, unless otherwise set forth below, the Participant shall be deemed to have left the employment of the University (and not by way of a Permitted Retirement) on the date thereof subject to the following:

(a) The Committee may for good cause, review a Leave of Absence before it is taken and determine whether or not the Participant shall be entitled to continue to participate in the Plan and, if so, the terms of said Participation. The Committee may, for example, permit the Participant to fully participate during the term of any such Leave of Absence (without giving effect to said Leave of Absence) or may consider the length of time of said Leave of Absence in arriving at any pro rata share that may be paid to the Participant under the Plan.

(b) The Committee may for good cause, review a retirement other than a Permitted Retirement before it is taken and determine whether or not the Participant shall be entitled to continue to participate in the Plan and, if so, the terms of said Participation. The Committee may, for example, permit the Participant to participate in the Plan notwithstanding said non-Permitted Retirement and, if so, the terms of said participation. However, absent any such action by the Committee, any non-Permitted Retirement by a Participant shall be deemed to be equivalent to the voluntary termination of employment by the Participant, which would cause the Participant to no longer be able to participate in and thus lose any rights (whether vested or otherwise) under the Plan for said Performance Period.

SECTION 10

INVOLUNTARY CONDITION OR EVENT

(a) If a Participant during any Performance Period is unable to continue the performance of his/her relevant duties due to an Involuntary Condition or Event, then, in that event, such Involuntary Condition or Event shall not affect any rights of the Participant under any Performance Unit grants received by such Participant during such applicable Performance Period; **provided, however,** such Performance Units will, unless otherwise determined by the Committee, be paid on a pro rata basis as follows:

(i) At the end of the applicable Performance Period, the Committee will determine the amount that would be payable to the Participant for such Performance Period, based upon the assumption that said Involuntary Condition or Event had not occurred. Said amount is referred to as the "**Qualified Amount**").

(ii) The Participant shall be paid a pro rata share of the Qualified Amount, which will be equal to:

- (1) the amount of the Qualified Amount, multiplied by:
- (2) a fraction, the numerator of which is the number of days that the Participant was so employed (which will be the number of days from the beginning of said Performance Period to the date of the Involuntary Condition or Event), and the denominator of which is 1,095 days (the number of days in the Performance Period).

The resulting amount shall be referred to as the "**Reduced Payment Amount**".

(iii) The Reduced Payment Amount shall be paid to the Participant on the Payment Date.

Thus, said Participant shall not be entitled to payment at the time of said Involuntary Condition or Event, and said Participant must wait until the end of the Performance Period to determine if and to what extent any Award is so earned.

(b) In the event of a Group Award, if a Group Participant should suffer or undergo an Involuntary Condition or Event during the Performance Period, then, for that Participant:

(i) A determination shall first be made after the end of the Performance Period, whether the Group achieved the Group Performance Criteria and, if so, the amount of the Award to be made to the Group in the aggregate.

(ii) That Award will then be allocated (but not yet paid) among the Group Participants on the basis that all the Participants (including the Participant involved in said Involuntary Condition or Event) were fully participating during the entire Performance Period and were therefore employed during the entire Performance Period.

(iii) For any Participant who may not have been fully participating during the entire Performance Period as a result of any Involuntary Condition or Event, the Award that would otherwise have been paid to that Participant (under clause (ii) above) shall then be reduced such that the amount of the Award to be paid to that Participant shall be equal to (a) the amount of the Award that would otherwise have been paid to that Participant as initially determined under (ii) above (if that Participant was continuously employed by the University during said entire Performance Period), multiplied by (b) a fraction, the numerator of which is the number of days that said Participant was so employed (which would be the number of days from the beginning of said Performance Period to the date of the Involuntary Condition or Event), and the denominator of which is 1,095. This reduced or pro rata share of the Award will then be paid to said Participant on the Payment Date.

(c) If an Involuntary Condition or Event occurs after the completion of the applicable Performance Period but before the Payment Date, payment of such Performance Units shall be made in full as follows:

(i) In the event of death, to such Participant's surviving beneficiary or beneficiaries or, if there shall be no such surviving beneficiaries, to such Participant's estate, in accordance with Florida Statutes Section 222.15.

(ii) Other than in the case of death, the payment will be made to the Participant.

SECTION 11

TRANSFERABILITY

Any rights of a Participant under this Plan, and in or to an Award, shall be personal in nature to the Participant, and may not be assigned or transferred (other than a transfer by will or the laws of descent and distribution in the event of death) or as otherwise provided under the previous Section with respect to death. Any attempted assignment or transfer of the Award shall be null and void and without effect. Further, any involuntary alienation or transfer shall also be null and void and without effect.

SECTION 12

WITHDRAWAL, AMENDMENT OR TERMINATION OF THE PLAN

The term of the Plan shall be indefinite and the Plan shall continue in full force and effect indefinitely until terminated at any time by action of the Board. Any such termination shall not adversely affect Awards theretofore granted.

The Board may at any time withdraw or amend the Plan, except that there shall be no withdrawal or amendment which shall adversely affect Awards theretofore granted.

There shall be no amendment or termination of the Plan which shall have the effect of accelerating the fixed payment dates established under Section 6(c) or provide other terms and/or conditions that would cause the Plan to be non-compliant with Code Section 409A or 457(f).

Notwithstanding the foregoing, prior to any plan amendment or termination as permitted by the terms of this Section 12, the Board may reduce, modify, suspend or eliminate incentive awards for any Performance Periods Plan based upon its determination of an Adverse Financial Condition as described in Section 6.

Exhibit "A"

UNIVERSITY OF CENTRAL FLORIDA

Award Notification Letter
(For Use With Individual Participant)

To:

Dear _____

This letter constitutes an Award Notification Letter to you in accordance with the University of Central Florida Performance Unit Plan for President and Senior Officers (the "Plan"). In that regard:

Adverse Financial Situation shall mean a determination by the Board of Trustees in its discretion prior to the payment date, upon recommendation of the Committee after consultation with the President, that with respect to a performance period the financial conditions impeding upon the university are sufficiently detrimental to warrant the reduction, modification, suspension or elimination of incentive compensation with respect to that performance period.

Payment Date _____, 20__.

Plan University of Central Florida Performance Unit Plan for President and Senior Officers, as adopted by the Board of Trustees of the University of Central Florida on _____, 20__.

Performance Period shall mean the period of three (3) years commencing July 1, 20__ and ending June 30, 20__.

Performance Units shall mean _____ Performance Units, each having a face value of \$100.00.

Performance Criteria shall mean the Performance Criteria in the form attached hereto as Exhibit "C".

Position of Participant shall mean _____.

Other capitalized terms contained herein shall have the meaning set forth in the Plan.

With this background, and subject to any Adverse Financial Situations, the University does hereby (i) designate you as a Participant in the Plan for the above-described Performance Period and for the Position set forth above, and (ii) award to you the number of Performance Units set forth above, and (iii) establish for you during said Performance Period the Performance Criteria set forth above.

To acknowledge your receipt of this Letter and agreement to its terms, please so indicate below.

Very truly yours,

Chair of Compensation and Labor
Committee of the University's Board of Trustees

Agreement

The undersigned, does hereby acknowledge receipt of and agree to the terms and conditions of this Letter.

Dated: _____, 20__ _____

Exhibit "B"

UNIVERSITY OF CENTRAL FLORIDA

Award Notification Letter
(For Use With Group Participants)

To: Persons Listed On Attached Schedule

This letter constitutes an Award Notification Letter to all of you in the aggregate (the "Group") in accordance with the University of Central Florida Performance Unit Plan for President and Senior Officers (the "Plan"). In that regard:

Adverse Financial Situation	shall mean a determination by the Board of Trustees in its discretion prior to the payment date, upon recommendation of the Committee after consultation with the President, that with respect to a performance period the financial conditions impending upon the university are sufficiently detrimental to warrant the reduction, modification, suspension or elimination of incentive compensation with respect to that performance period.
Group	The individuals listed on the attached schedule.
Payment Date	_____, 20__.
Plan	University of Central Florida Performance Unit Plan for President and Senior Officers, as adopted by the Board of Trustees of the University of Central Florida on _____, 20__.
Performance Period	shall mean the period of three (3) years commencing July 1, 20__ and ending June 30, 20__.
Performance Units	shall mean _____ Performance Units, each having a face value of \$100.00.
Performance Criteria	shall mean the Performance Criteria in the form attached hereto as Exhibit "C"
Position of Participant	shall mean the individual positions and listing as set forth in the attached schedule.

Other capitalized terms contained herein shall have the meaning set forth in the Plan.

With this background, and subject to any Adverse Financial Situations, the University does hereby (i) designate you as a Participant in the Plan for the above-described Performance Period and for the Position set forth above, and (ii) award to you the number of Performance Units set forth above, and (iii) establish for you during said Performance Period the Performance Criteria set forth above.

If any Award is earned by the Group, that award shall be allocated among the Participants in the Group on the basis set forth in the attachment hereto, subject to the further provisions of the Plan. In order for any Participant in a Group to be entitled to any Award, the Group as a whole must achieve the Performance Criteria in the aggregate; otherwise, no portion of the Award shall be paid to any Participant.

To acknowledge your receipt of this Letter and agreement to its terms, please so indicate below.

Very truly yours,

Chair of Compensation and Labor
Committee of the University's Board of Trustees

Agreement

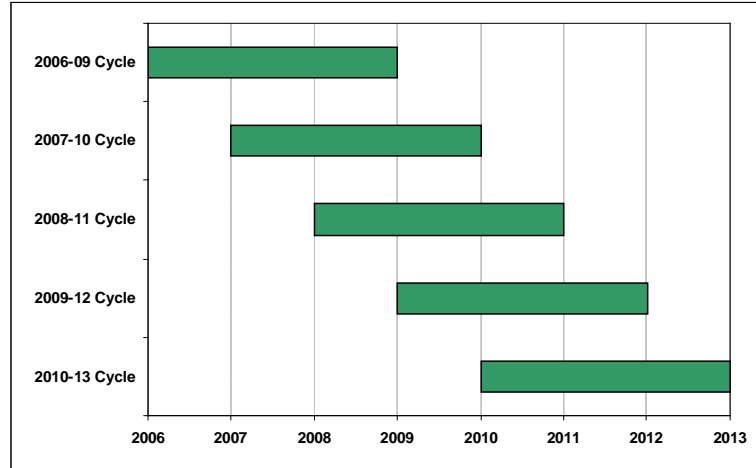
The undersigned, does hereby acknowledge receipt of and agree to the terms and conditions of this Letter.

Dated: _____, 20__ _____

Exhibit "C"

Notes:

1. This is a three-year performance unit Plan and is intended to reward sustained and long term performance over the term of each three year cycle. A new three year award cycle will begin each July 1st and end three years hence on June 30th.



2. Effective June 30, 2009, and each June 30th thereafter, unless terminated by the Board, a three-year performance cycle ends with the possibility of incentive payments being authorized as the University's performance dictates for the appropriate three year period. Thus, each Participant will be eligible for an incentive award annually for the prior three-year period, which amount will be determined by the Committee subsequent to the end of the award cycle.
3. The units awarded do not vary during a performance cycle. However, the units awarded for subsequent three-year cycles may vary in the discretion of the Committee and the Board.
4. The determination of the Performance Unit values is prorated if the goal achievement falls between the minimum goal and maximum goal, while any achievements below the minimum goal level are assigned zero value and not prorated. Any achievements above the maximum goal level are assigned the maximum goal value.
5. Each year, the Committee in consultation with the President, shall recommend to the Board appropriate three-year goals for the next Performance Period (always beginning July 1st and ending three years later on June 30th).
6. At the conclusion of each three-year award cycle, the Committee is responsible to certify the University accomplishments and report to the Board the amount of any award in accordance with the Plan.
7. For a Participant to be paid for any Award, a Participant must remain in that position and be employed by the University during the entire Performance Period, except for extenuating circumstances such as death, long term disability, or termination without cause by the University. In such and other cases, the Committee, with Board approval, may in its discretion modify any Award.

8. Notwithstanding anything contained herein or in the Plan to the contrary, in the event that the Board makes the determination of an Adverse Financial Condition pursuant to the terms of Section 2(a) it may reduce, suspend or eliminate the amount of any Award with respect to any Performance Period.
9. Example:
 1. A Participant receives award of 1400 units for the 2006-2009 cycle, 1500 units for 2007-2010, and 1600 units for 2008-2011.
 2. UCF performance rated 125% for 2006-2009, 90% for 2007-2010 and 150% for 2008-2011.
 3. Receives bonus of $\$100 \times 125\% \times 1400 \text{ units} = \$175,000$ in Fall 2009
 4. Receives bonus of $\$100 \times 90\% \times 1500 \text{ units} = \$135,000$ in Fall 2010
 5. Receives bonus of $\$100 \times 150\% \times 1600 \text{ units} = \$240,000$ in Fall 2011
10. Example:
 1. A Participant receives award of 200 units for the 2006-2009 cycle, 210 units for 2007-2010, and 220 units for 2008-2011.
 2. UCF performance rated 125% for 2006-2009, 90% for 2007-2010 and 150% for 2008-2011.
 3. Receives bonus of $\$100 \times 125\% \times 200 \text{ units} = \$25,000$ in Fall 2009
 4. Receives bonus of $\$100 \times 90\% \times 210 \text{ units} = \$18,900$ in Fall 2010
 5. Receives bonus of $\$100 \times 150\% \times 220 \text{ units} = \$33,000$ in Fall 2011

Exhibit "D"

PAYMENTS MATRIX

Eligible For

Actions	Normal Payments	Pro-Rated Payments	No Payments	Committee Discretion
For Cause Termination			xxx	
No Cause Termination		xxx		
Reassignment		xxx		
Long Term Disability		xxx		
Permitted Retirement		xxx		
Other Retirement				xxx
Death		xxx		
Resignation			xxx	

*This matrix is NOT intended to be comprehensive but rather illustrative of typical actions and the resulting payment methodology of the Performance Unit Plan. The matrix is intended to be a simplified illustration of payments made under the Plan and does NOT limit the Committee or Board from exercising their absolute discretion in accordance with the Plan. The Plan shall always supersede should there be any incongruencies between Plan language and this simplified illustration.

Revisions approved by Compensation and Labor Committee on February 20, 2013.

ITEM: CLC-3

**University of Central Florida
BOARD OF TRUSTEES
Compensation and Labor Committee**

SUBJECT: Revision to the Compensation and Labor Committee Charter

DATE: September 9, 2013

PROPOSED COMMITTEE ACTION

Recommend approval of the revisions to the charter of the Compensation and Labor Committee.

BACKGROUND INFORMATION

On March 19, 2009, the board originally approved the Compensation and Labor Committee's charter that identified the purpose, authority, and organization of the committee, as well as its roles and responsibilities. The proposed revisions are being made for clarity.

Supporting documentation: Compensation and Labor Committee Charter with marked redline revisions

Prepared by: Mark Roberts, Associate Vice President and Chief Human Resources Officer

Submitted by: John Sprouls, Chair of the Compensation and Labor Committee

Compensation and Labor Committee Charter

~~Third-Fourth~~ Revised
~~March-September~~ 2013

1. Overall Purpose and Objectives

The Compensation and Labor Committee was established by the University of Central Florida Board of Trustees (“board”) to: 1) conduct periodic compensation and assessment reviews of the president, as required by Florida Board of Governors regulations and develop recommendations to the board for its consideration; 2) review and approve discretionary compensation plans and deferred compensation plans, if any, for senior executives of the university; and 3) oversee the collective bargaining responsibilities of the board.

2. Authority

The board authorizes the committee to:

- 2.1. perform activities within the scope of its charter, in accordance with board policy, including the Presidential Performance and Compensation Review Policy, and as otherwise directed by the board;
- 2.2. oversee an annual assessment of the president’s performance and compensation, and present recommendations to the board for approval;
- 2.3. consider and review all elements of presidential compensation, including contractual benefits that are not part of the annual compensation process, deferred compensation plans and other compensatory benefits;
- 2.4. oversee review of the employment agreement with the president and present recommendations to the board for approval;
- 2.5. annually review discretionary compensation plans, if any;
- 2.6. engage outside consultants and other advisors, as it deems necessary, with the approval of the board or the president;
- 2.7. advise the board and president regarding prospective and current collective bargaining activities and issues, and make recommendations to the board regarding board action.

3. Organization

Membership

- 3.1. The chair of the board will appoint the chair and members of the committee.

- 3.2. The committee will consist of at least three members, including the chair of the committee. The chair of the board will serve as an ex-officio member of the committee.
- 3.3. Members of the committee shall hold office until the appointment of their successors.

Meetings

- 3.4. Meetings held to advise university administrators regarding ~~discuss~~ collective bargaining issues are exempt from the open meetings law.
- 3.5. Meetings held to resolve impasses between the university and one of its collective bargaining units will comply with the open meetings law.
- 3.6. A majority of the regular (not ex officio) committee members shall constitute a quorum for all committee meetings. A quorum having been established, no business shall be transacted without a majority vote of all committee members who are present, including the ex officio members.
- 3.7. Meetings will be held as necessary and called by the chair of the committee or the chair of the board.
- 3.8. The committee will maintain written minutes of its public meetings; however, agenda or minutes shall not be posted for meetings conducted in closed session.
- 3.9. The committee may request special reports from the university on topics that may enhance the committee's understanding of the university's activities and operations.

Staff

- 3.10. The chief human resources officer of the university will serve as staff liaison to the committee and will support the committee's logistical needs.
- 3.11. The Vice President and General Counsel will serve as staff liaison to the committee with respect to any issue requiring legal review or advice, including collective bargaining issues.

4. Specific Roles and Responsibilities

- 4.1. The compensation and performance of the president will be assessed regularly and the extent to which the president is meeting the goals established by the board will be determined.
- 4.2. Presidential goals for the short term (e.g., annual goals) and the long term (e.g., three-year goals) will be established in consultation with the president. The resulting goals will be recommended by the committee to the board for approval each year, usually at the November board meeting.

- 4.3. The achievement of the short and long term goals previously established by the board will be annually measured and the results will be approved by the committee.
- 4.4. All board trustees will be solicited for their input in the assessment of the president's performance.
- 4.5. A review of comparable compensation for university presidents will be done in accordance with the board's Presidential Performance and Compensation Review Policy. After this review, the committee will submit a compensation recommendation for approval by the board each year, usually at the November board meeting.
- 4.6. The committee will review the employment agreement with the president and present a summary recommendation to the board for its approval. Once approval is received by the board, the chair of the board and the Compensation and Labor Committee chair will sign the employment agreement on behalf of the board. A copy of the fully executed employment agreement will be shared with the board.
- 4.7. An annual review of established performance incentive plans will be completed and recommended changes approved. Any changes resulting in revised awards to a participant shall be recommended to the board for final approval. Once the original plan document is approved by the board, technical and procedural changes to the plan document will be approved by the committee. Such changes shall be distributed by the committee to the Board of Trustees for its information, but will not require board approval.
- 4.8. Periodically, a review will be requested of the base salaries of senior officers to determine if they are appropriate, based on relevant market data.
- 4.9. The university collective bargaining representatives will be advised of board priorities, positions, and interests with respect to negotiations.
- 4.10. The committee will act on behalf of the board to conduct collective bargaining impasse hearings and make recommendations to the board for its approval.

Adoption of Charter

The University of Central Florida Board of Trustees adopted this charter at its regularly scheduled meeting on March 19, 2009. The second revised was approved by the Board on November 19, 2009. [The third revised was approved by the Board on March 21, 2013.](#)

Attachment 1

Assessment Questions

Reflecting on the president's service over the past year, please indicate your assessment of his performance in the following areas:

Administrative Leadership

This relates to the president's leadership of the

- provost and executive vice president [Tony Waldrop oversees the vice president for research and commercialization (M.J. Soileau), the vice president for student development and enrollment services (Maribeth Ehasz), and the deans]
- the other vice presidents (Scott Cole, Helen Donegan, Deborah German, Al Harms, Bob Holmes, Dan Holsenbeck, Bill Merck, and Rick Schell) and vice president and director of athletics (Todd Stansbury)
- equity accountability plan and affirmative action plan

Would you like to make any other comments relating to the president's administrative leadership?

Budget and Finance

Such matters primarily relate to the

- provost and executive vice president, who is responsible for academic expenditures
- vice president for administration and finance and chief financial officer, who is responsible for administrative and general areas
- vice president for medical affairs, who is responsible for the College of Medicine and UCF Pegasus Health expenditures
- vice president for student development and enrollment services, who is responsible for housing and student affairs
- vice president for alumni relations and development and CEO of the UCF Foundation for all expenditures relating to the UCF Foundation
- vice president and director of athletics for all expenditures related to intercollegiate athletics

Would you like to make any other comments relating to the president's direction and oversight of budgetary and financial affairs?

External Relations

This includes the vice president for university relations for federal, state and local lobbying efforts; vice president for community relations for community outreach; vice president for administration and finance and chief financial officer; the vice president for alumni relations and development and CEO of the UCF Foundation; the vice president for strategy, marketing, communications and admissions; and the vice president and director of athletics. This assessment should also include the president's relationship and effectiveness with the Board of Governors and its staff, as well as the president's influence on economic or community development.

Would you like to make any other comments relating to the president's direction and oversight of external relations?

Academic Leadership

Such matters primarily relate to the provost and executive vice president, deans for academic programs, and the vice president for research and commercialization

Would you like to make any other comments relating to the president's direction and oversight of academic affairs?

Medical Affairs

Such matters primarily relate to the vice president for medical affairs.

Would you like to make any other comments relating to the president's direction and oversight of medical affairs?

Fund-raising

Such matters primarily relate to the vice president for alumni relations and development and CEO of the UCF Foundation and the vice president and director of athletics.

Would you like to make any other comments relating to the president's direction and oversight of fund-raising?

Vision

This relates to the president's vision for UCF's role in the community, state, and nation.

Would you like to make any other comments relating to the president's vision?

Personal Characteristics

Relates to the president's expression of the following personal characteristics:

Integrity

Ethics

Collaboration

Professionalism

Valuing diversity

Would you like to make any other comments relating to the president's personal characteristics which impact his effectiveness?

Other Comments

Would you like to make any additional comments that have not already been covered in any of the areas above regarding the president's stewardship of UCF?

Considering the president's overall performance over the past year, please indicate an overall assessment in one of the following categories: unsatisfactory, conditional, satisfactory, above satisfactory, or outstanding.