



Board of Trustees
Finance and Facilities Committee Meeting
Live Oak Event Center
September 26, 2013

MINUTES

CALL TO ORDER

Trustee Olga M. Calvet, chair of the Finance and Facilities Committee, called the meeting to order at 10:35 a.m. Committee members Robert Garvy, Reid Oetjen, and Melissa Westbrook were present. Committee members Jim Atchison and John Sprouls attended via teleconference. Trustees Clarence Brown, Richard Crotty, Alan Florez, and Beverly Seay were present. Trustee Ray Gilley attended via teleconference.

JOINT SESSION

The Finance and Facilities Committee joined the Educational Programs Committee meeting already in progress.

International Pathway Program (INFO-1)

Tony G. Waldrop, Provost and Executive Vice President, reviewed the International Pathway Program. The program will be a self-supporting international student recruitment and bridge program, and it meets the president's goal to provide international focus to our curricula and research programs. The Shorelight Education group will provide start-up funds, recruit students, provide support services to students and their families, and provide status reports and analytics tools. UCF will maintain academic control of the program. May 2014 is the targeted start date.

State University System Annual Status Report on Market Tuition (INFO-2)

Waldrop reviewed the SUS Annual Status Report on Market Tuition. Market tuition rates were first approved by the Board of Governors in February 2011. UCF's market tuition rate degree programs are Executive and Professional Master in Business Administration, Professional Master of Science in Management, Professional Master of Science in Real Estate, Master of Science in Health Care Informatics (online program), and Master of Science in Engineering Management, which has not yet implemented. The annual status report will be provided to the Board of Governors in November 2013.

New Educational Site: Universidad San Ignacio de Loyola's Center for American Education in Lima, Peru (INFO-3)

Diane Z. Chase, Executive Vice Provost, reviewed the plan for UCF to offer upper-level coursework for UCF's bachelor of science in industrial engineering (B.S.I.E.) degree at a new

instructional site located on the campus of the Universidad San Ignacio de Loyola (USIL) in Lima, Peru. Program activities will comply with the accreditation requirements of the Southern Association of Colleges and Schools Commission on Colleges and the Accreditation Board for Engineering and Technology, Inc. UCF will retain full control over the quality and integrity of the B.S.I.E. degree program offered. Space will be provided by USIL. The program will be self-supporting. This partnership is expected to provide UCF with opportunities to recruit high-quality students from Latin America for its master's and doctoral degree programs in industrial engineering, as well as to open avenues for future collaborations including research and economic development.

END OF JOINT SESSION – 11:15 a.m.

BEGINNING OF FINANCE AND FACILITIES COMMITTEE MEETING - 11:15 a.m.

MINUTES APPROVAL

The minutes of the May 23, 2013, and July 25, 2013, Finance and Facilities Committee meetings were approved as submitted.

OLD BUSINESS

Northview Update (INFO-4)

William F. Merck II, Vice President for Administration and Finance and Chief Financial Officer, reported that the Board of Trustees had previously approved a Direct Support Organization in the event that UCF would be involved in the financing of this property. Since the developers are now securing the financing, UCF will continue in its role as manager of the property, but will not be utilizing the DSO for the financing of the Northview project.

NEW BUSINESS

UCF Investments Quarterly Update (INFO-5)

Tracy Clark, Assistant Vice President for Administration and Finance and Controller, reviewed the investments quarterly update as of June 30, 2013.

UCF Investment Policy Revision(s) (FFC-1)

Merck reported that UCF transferred its domestic equity investments from actively managed funds to a large-cap Vanguard equity-index fund that is designed to track the performance of the Standard & Poor's 500 Index. An amendment to UCF's investment policy Operating Pool III Sub Section and Operating Pool IV Sub-Section is needed to change the target index for domestic equity investments from the Russell 3000 Index to the Standard & Poor's 500 Index. The committee unanimously approved the revisions to the investment policy.

University Operating Budget Report ended June 30, 2013 (INFO-6)

Clark reported that the University Operating Budget Report ended June 30, 2013, was provided as an information item.

Direct Support Organizations' Quarterly Financial Reports ended June 30, 2013 (INFO-7)

Merck reported that the DSO's 2012-13 third-quarter financial reports ending March 31, 2013, were provided as information items.

University and DSO Debt Report (INFO-8)

Merck reported that the University and DSO Debt report was provided as information.

Chair Calvet adjourned the Finance and Facilities Committee meeting at 11:55 a.m.

Respectfully submitted: _____

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

_____ Date