



Board of Trustees
Finance and Facilities Committee Meeting
President's Boardroom, Millican Hall, 3rd floor
October 22, 2014

MINUTES

CALL TO ORDER

Trustee Marcos Marchena, chair of the Finance and Facilities Committee, called the meeting to order at 8:32 a.m. Committee members Weston Bayes and Reid Oetjen were present. Committee member Robert Garvy attended by teleconference.

MINUTES APPROVAL

The minutes of the August 5, 2014, Finance and Facilities Committee meeting were approved as submitted.

NEW BUSINESS

Review of Debt Guidelines (FFC-1)

William F. Merck II, Vice President for Administration and Finance and Chief Financial Officer, and John C. Pittman, Associate Vice President for Administration and Finance, Debt Management, explained that after the Board of Governors adopted its revised Debt Management Guidelines in 2010, some types of debt issuances are excluded from requiring the board's approval. However, the university's guidelines currently have no exclusions and require all new issuances of debt to be approved by the board. In order to make the issuance of smaller debt items more efficient, the university guidelines have been amended to allow some of the types of debt currently excluded from requiring approval by the Board of Governors to be excluded from requiring approval by the Board of Trustees under certain conditions. The amendments do not alter existing Board of Governors' policy. The committee unanimously approved the revised debt guidelines, but it asked for an annual report to check on the status of the debt issuances now allowed because of the permitted exclusions.

Revisions to UCF Investment Policy (FFC-2)

UCF's investment policy has cash balances divided into four pools ranging from extremely low risk cash and cash equivalents in Pool I to a combination of longer maturity bonds and equity investments in Pools II, III, and IV. In order to increase portfolio diversification and provide increased flexibility to manage the duration and yield curve exposures and relative value, the university's investment consultant recommended changes to the authorized investment guidelines in Operating Pool II and Operating Pool III. The committee unanimously approved the revisions, but it asked for a report in six months to check on the status of the investments following these changes.

UCF Investments Quarterly Report Ended June 30, 2014 (INFO-1)

Tracy Clark, Associate Vice President for Administration and Finance and Controller, reviewed the investments quarterly update as of June 30, 2014.

University Operating Budget Report Quarter Ended June 30, 2014 (INFO-2)

Clark presented the University Operating Budget Report ended June 30, 2014, as an information item.

Direct Support Organizations' 2013-14 Fourth-Quarter Financial Reports (INFO-3)

Merck and Pittman reported that the direct support organizations' 2013-14 fourth-quarter financial reports ended June 30, 2014, were provided as information items.

Energy and Sustainability Report (INFO-4)

Lee Kernek, Associate Vice President for Administration and Finance, introduced Curtis Wade, Director of Sustainability and Energy Management, who gave a presentation on energy use and sustainability efforts on campus.

UCF Foundation Financial Report Presentation (INFO-5)

Robert J. Holmes Jr., Vice President for Alumni Relations and Development and CEO for the UCF Foundation, Inc., and Bert Francis, Associate Vice President and Chief Financial Officer, presented the UCF Foundation's history, operating results, and budget.

Chair Marchena adjourned the Finance and Facilities Committee meeting at 10:18 a.m.

Respectfully submitted: _____

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

_____ Date