



UNIVERSITY OF CENTRAL FLORIDA

Board of Trustees  
Finance and Facilities Committee Meeting  
*FAIRWINDS* Alumni Center  
May 18, 2017

**MINUTES**

**CALL TO ORDER**

Trustee Alex Martins, chair of the Finance and Facilities Committee, called the meeting to order at 11:05 a.m. Committee members Robert Garvy, Nick Larkins, William Self, David Walsh, and Bill Yeargin were present. Committee member John Sprouls attended by teleconference. Trustees Joseph Conte and Beverly Seay were present. Chairman Marcos Marchena was present.

**NEW BUSINESS**

Amendments to University Tuition and Fee Regulation UCF-9.001 (FFC-1)

William F. Merck II, Vice President for Administration and Finance and Chief Financial Officer, and Tracy Clark, Associate Provost for Budget, Planning, and Administration and Associate Vice President for Finance, discussed the proposed amendments to University Tuition and Fee Regulation UCF-9.001, which reflects the tuition and fees for the 2017-18 academic year. No changes to tuition and fees are being proposed for 2017-18 except for a reduction in the UCF Online graduate out-of-state fee and graduate non-resident financial aid fee to be consistent with the lower out-of-state fee and non-resident financial aid fee currently charged to UCF Online undergraduate students.

The committee unanimously approved the amendments as presented.

University Operating Budget Report Ended March 31, 2017 (INFO-1)

Clark presented the University Operating Budget Report for the quarter that ended March 31, 2017.

2017-18 University Operating Budget (FFC-2)

Merck and Clark presented the operating budgets for the Educational & General, Medical School, Auxiliary Enterprises, Sponsored Research, Student Financial Aid, Student Activities, Technology Fee, and Concessions areas. The allocation of new state investments in Performance Funding and Emerging Preeminent University Funding will be determined by the Florida Board of Governors in June. An update will be provided to the Board of Trustees in a future meeting. The committee unanimously approved the 2017-18 University Operating Budget as presented.

#### 2017-18 Capital Outlay Budget (FFC-3)

Merck and Lee Kernek, Associate Vice President for Administration and Finance, requested approval of the university's 2017-18 capital outlay budget and authorization for the president to make necessary adjustments to the 2017-18 capital outlay budget. The committee unanimously approved the 2017-18 capital outlay budget. However, to be consistent with the 2016-17 approval of this item, they modified the president's approving authority to only line items below \$2 million. Any budget change to a line-item greater than \$2 million must be brought to the Board of Trustees for approval if the adjustment is more than 10 percent.

#### Equipment Fees for 2017-18 (INFO-2)

Elizabeth Klonoff, Vice President for Research and Dean of the College of Graduate Studies, announced there were no changes to undergraduate or graduate equipment fees for 2017-18.

#### University Depositories (FFC-4)

Clark requested approval of the depositories into which university funds may be deposited, authorization of the president or his designee to transfer funds between depositories, and the designation of the university employees who can sign checks for payment of university obligations. The committee unanimously approved the depositories, presidential authorization, and the employees to serve as signatories. Chairman Marchena, however, recommended for next year to consider removing Valley National Bank as a depository in favor of a local bank.

#### UCFAA Line of Credit Increase (FFC-5)

John C. Pittman, Associate Vice President for Administration and Finance, Debt Management, Brad Stricklin, Executive Associate Athletics Director and Chief Financial Officer, and Danny White, Vice President and Director of Athletics, presented for approval a request for the UCF Athletics Association to increase the existing operating line of credit with Fifth Third Bank from \$2 million to \$5 million to assist with cash-flow timing issues. The increase to \$5 million would allow the UCFAA to stay current on all bills and meet all financial obligations in a timely manner. The committee unanimously approved the increase, but Chairman Marchena emphasized the need to still retain the line of credit's rest period of 14 days every year.

#### Proposed Building Name Changes (FFC-6)

Maribeth Ehasz, Vice President for Student Development and Enrollment Services, requested approval to change the names of two buildings. The first request is to change "Theta Chi" to "Alpha Epsilon Phi." The fraternity Theta Chi has moved out of the Greek house, and the sorority Alpha Epsilon Phi moved into the house. The second request is to change "Early Childhood Center" to "Creative School II." The Early Childhood Center has moved out of this facility, and it was reassigned to the Creative School for Children. The committee unanimously approved both name changes.

#### Acquisition of Property for Partnership IV, Part II (FFC-7)

Merck and Jennifer Cerasa, Associate General Counsel, requested the approval of the Purchase and Sale Agreement and acquisition of the property located at 12000 Research Parkway for the Partnership IV, Part II, to further enhance the government modeling and simulation technology presence in central Florida. Under the proposed transaction, UCF would serve as the acquiring agency to facilitate the acquisition of the property from Banyan Street/Gap Resource Square Two Owner, LLC, in the name of the Board of Trustees of the Internal Improvement Trust Fund of the State of Florida. The total purchase price is estimated to be \$19.1 million, subject to an appraisal. The Purchase and Sale Agreement will require approval from the State of Florida. There will be a



subsequent 90-day due-diligence period for investigation of the property. The committee unanimously approved the Purchase and Sale Agreement and property acquisition as presented.

Amendment to Agreement Between UCF and ICAMR (FFC-8)

Klonoff and Sandra Sovinski, Senior Associate General Counsel, requested approval of an amendment to the agreement between UCF and ICAMR, Inc. to confirm escrow of appropriated funds for potential application to expenses arising from specialized water needs of a research and development center managed by ICAMR. The Tohopekaliga Water Authority (TWA) has advanced \$3,200,000 for construction of advanced treatment facilities for the center and, pursuant to the lease, UCF is responsible for annual payments for a period of 10 years until TWA is repaid in full. Also, UCF is obligated to TWA pursuant to the lease for certain water, wastewater, and reuse capacity impact fees arising from operation of the center. This amendment to the agreement allows UCF to escrow certain funds for the above-noted TWA obligations. The committee unanimously approved the amendment as presented.

Amendment to Florida Advanced Manufacturing Research Center Agreement and Lease (FFC-9)

Klonoff and Sovinski requested approval of the amended and restated development agreement and lease for the advanced manufacturing industry center in Osceola County. The research and development center built by Osceola County for lease by UCF under the August 25, 2014, development agreement is nearing substantial completion. During the project, changes to certain aspects of the development have taken place, such as the commitment by Osceola County of additional funds and the negotiation of related agreements for delivery of utility infrastructure. Accordingly, the development agreement is being revised to reflect these changes.

By the terms of the development agreement, UCF is to execute the lease upon substantial completion of the research and development center. Accordingly, the lease is also to be revised to reflect the aforementioned changes. The committee unanimously approved the development agreement and lease as presented.

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

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

5-25-17  
Date