Board of Trustees Meeting  
September 20, 2018  
FAIRWINDS Alumni Center  
Agenda  
1 p.m.  
800-442-5794, passcode 463796

1. Welcome and call to order     Marcos Marchena, Chairman
2. Roll call     Grant J. Heston, Assistant Secretary
3. Public comment     Grant J. Heston
4. New Business     Chairman Marchena

   **BOT – 1 Approval**  
   Trevor Colbourn Hall Charge of Law Firm Conducting Investigation, Additional Interim Steps, Update and Discussion

5. Other new business     Chairman Marchena
6. Adjournment     Chairman Marchena
University of Central Florida
Board of Trustees

SUBJECT: Trevor Colbourn Hall Charge of Law Firm Conducting Investigation, Additional Interim Steps, Update and Discussion

DATE: September 20, 2018

PROPOSED BOARD ACTION

Begin the investigation into the disallowable use of state funds to construct Trevor Colbourn Hall.

BACKGROUND INFORMATION

UCF used ineligible state funds for the construction of Trevor Colbourn Hall, which was originally approved by the Board of Trustees in 2014. The funding source, state Education & General dollars, cannot be used to pay for the construction of new buildings.

Supporting documentation:  Attachment A: September 6, 2018 Board of Trustees Meeting materials
                                      Attachment B: Speaker Corcoran letter to UCF
                                      Attachment C: Letter to Governor and Legislative Leadership
                                      Attachment D: University of Central Florida letter
                                      Attachment E: Bryan Cave Leighton Paisner LLP contract

Prepared by: Scott Cole, Vice President and General Counsel

Submitted by: Scott Cole, Vice President and General Counsel
AGENDA

1. Welcome and call to order  Marcos Marchena, Chairman
2. Roll call  Grant J. Heston, Assistant Corporate Secretary
3. Public comment  Grant J. Heston
4. New Business  Chairman Marchena
   BOT – 1  Approval  Replenish E & G accounts for Trevor Colbourn Hall construction
5. Other new business  Chairman Marchena
6. Adjournment  Chairman Marchena
SUBJECT: Replenish E&G accounts for Trevor Colbourn Hall construction

DATE: September 6, 2018

PROPOSED BOARD ACTION

Replenish the Education and General (E&G) account(s) used to fund the construction of Trevor Colbourn Hall with non-appropriated funds. For future board and committee approvals of capital projects, require a written certification by the President and Vice President presenting the item identifying the source of funds and certifying that they are appropriate for that purpose.

BACKGROUND INFORMATION

In 2014, the Board of Trustees considered a plan to renovate the 40-year-old Colbourn Hall, which had experienced water intrusion and other issues typically found in older facilities. The repairs and renovations were planned as a single project.

Several comprehensive evaluations of the building determined that Colbourn Hall was in such poor condition that undertaking extensive repairs to the building would not make economic sense and not be in the best interest of the university and employees occupying the building.

In April 2014, the BOT Finance and Facilities Committee approved construction of the new Trevor Colbourn Hall, initially designed as a 75,000-square-foot building that would be built with carry-forward funds.

In May 2014, the full Board approved construction of Trevor Colbourn Hall. Neither the committee nor the full Board were told the source of the carry-forward funds would be E&G, which cannot be used for new construction.

In spring 2016, it was determined that cost considerations dictated that Colbourn Hall be demolished and the square footage of Trevor Colbourn Hall be increased to serve the university needs.

In June 2016, the BOT Finance and Facilities Committee approved the razing of Colbourn Hall, which was approved by the full board the following month.
As of August 2018 - the Florida Auditor General found that the $38 million Trevor Colbourn Hall project was funded by E&G funds. The preliminary findings were shared with UCF.

After speaking with the Board of Governors, President Whittaker directed that the Board of Trustees be informed of these facts and, with its approval, identify non-E&G funds to replenish the E&G account from which the construction funds were drawn. Additionally, the university is developing a process for future board and committee approvals of capital projects, which will require a written certification by the President and Vice President presenting the item identifying the source of funds and certifying that they are appropriate for that purpose.

**Supporting documentation:**
- Exhibit A: Timeline
- Exhibit B: Project spreadsheet
- Exhibit C: 4/3/14 Finance & Facilities meeting documents
- Exhibit D: 5/22/14 Board of Trustees meeting documents
- Exhibit E: 7/28/16 Finance & Facilities meeting documents
- Exhibit F: 7/28/16 Board of Trustees meeting documents

**Prepared by:** Scott Cole, Vice President and General Counsel

**Submitted by:** Scott Cole, Vice President and General Counsel
Exhibit A

**Detailed Timeline**

2010- Colbourn Hall renovation was first placed on UCF’s PECO list and assigned priority #18 with a projected cost total of $5 million (see Exhibit B).

2011- PECO priority was moved to #16; projected cost remained $5 million.

2012 - PECO priority was changed to #17; list projected cost rose to $5.8 million.

2013 - Projected cost had risen to $8.3 million and Other State Sources were being considered for funding. Facilities Planning discussed availability of PECO funds with BOG staff but was told none was available.

February 2014 - Building Analyses conducted by Clancy & Theys, Schenkel Shultz, Walter P Moore and TCL determined that the extent and cost of necessary repairs made renovation economically unfeasible.

April 3, 2014 – BOT Finance and Facilities committee was informed of the cost of renovations of the existing Colbourn Hall. Staff recommended to the Committee that they approve construction of a new 75,000 square-foot building (Trevor Colbourn Hall). The estimated construction cost of the new building was $21.3 million. In the absence of PECO funding, construction costs would be paid from UCF “non-recurring funds” (see Exhibit C). However, the committee was not informed that the “non-recurring funds” were E&G funds, which could not be used for construction.

May 22, 2014 - The full board approved construction of Trevor Colbourn Hall but again was not told that the funding source would be E&G funds (see Exhibit D).

2015 - Educational Plant Survey supported UCF’s request for PECO for the renovation of Colbourn Hall and the construction of Trevor Colbourn Hall.

Spring 2016 - It was determined to be more prudent to demolish Colbourn Hall and increase the square footage of Trevor Colbourn Hall to serve the needs of both buildings. This was primarily due to rising costs, both from increasing construction costs and the need to expand the space to accommodate more people.

June 27, 2016 - The Finance and Facilities committee approved the razing of Colbourn Hall. Estimated cost to correct defects in the building was more than $15 million, which was greater than 60 percent of the building cost (see Exhibit E).

July 28, 2016- The full board approved the demolition of Colbourn Hall. (See Exhibit F).
May 1, 2017 – Construction begins on Trevor Colbourn Hall.

August 2018 - Construction of Trevor Colbourn Hall was completed and occupants from Colbourn Hall moved to Trevor Colbourn Hall. The razing of Colbourn Hall is scheduled for September 2018.

As of August 2018 - the Florida Auditor General found that the $38 million Trevor Colbourn Hall project was funded by E&G funds. The preliminary findings were shared with UCF.

Present- The plan for restoring E&G funds that were spent on the construction and furnishing of Trevor Colbourn Hall in cash totaling $38 million has been returned to E&G and replaced with cash and accumulated investment gains from auxiliary and concession funds. In August 2018, the E&G carryforward was returned and the current sources of funding are $36.7 million auxiliary funds, $950k concession funds, $600k of PO&M for demolition of old building, and $320k E&G funds for project management services provided by Facilities Planning.
### Exhibit B

#### Board of Trustees Meeting - New Business

<table>
<thead>
<tr>
<th>Date of BOT Approval</th>
<th>Fiscal Year</th>
<th>Description</th>
<th>#</th>
<th>Funding Source</th>
<th>Project Total</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 29, 2008</td>
<td>2009-2010</td>
<td>Not on list</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>July 23, 2009</td>
<td>2010-2011</td>
<td>Colburn Hall Renovation</td>
<td>#18</td>
<td>PECO</td>
<td>$4,968,246</td>
<td></td>
</tr>
<tr>
<td>July 22, 2010</td>
<td>2011-2012</td>
<td>Colburn Hall Renovation</td>
<td>#16</td>
<td>PECO</td>
<td>$4,968,246</td>
<td></td>
</tr>
<tr>
<td>July 21, 2011</td>
<td>2012-2013</td>
<td>Colburn Hall Renovation</td>
<td>#17</td>
<td>PECO</td>
<td>$5,807,816</td>
<td></td>
</tr>
<tr>
<td>August 24, 2011</td>
<td></td>
<td>C.T. Hox - Partners and Allen and Conrad Inc</td>
<td></td>
<td></td>
<td>Site Observation Report - Structural</td>
<td></td>
</tr>
<tr>
<td>July 26, 2012</td>
<td>2013-2014</td>
<td>Colburn Hall Renovation</td>
<td>#3</td>
<td>Other State Sources</td>
<td>$8,276,093</td>
<td></td>
</tr>
<tr>
<td>December 3, 2012</td>
<td></td>
<td>The RAAU-Tanso Engineering Group, Inc</td>
<td></td>
<td></td>
<td>Visual Structural Assessment &amp; Analysis of Colburn Hall</td>
<td></td>
</tr>
<tr>
<td>April 9, 2013</td>
<td></td>
<td>AMEC Intl</td>
<td></td>
<td></td>
<td>Report of Limited NESHAP Asbestos Survey</td>
<td></td>
</tr>
</tbody>
</table>
| July 25, 2013        | 2014-2015   | Colburn Hall Renovation | #2 | Other State Sources | $7,885,924 | Colburn Hall Building Analysis
The BOG notified the Clancy & Theys, Schenkhl Shults, Walter P. Moore and TLC about the feasibility of the project. However, it is now clear that the project is not feasible without significant funding. |
| February 1, 2014     |             | Clancy & Theys, Schenkhl Shults, Walter P. Moore, TLC | | | |       |
| July 31, 2014        | 2015-2016   | Colburn Hall Renovation | #3 | PECO | $19,524,553 |       |
| June 29, 2015        | 2016-2017   | Colburn Hall Renovation | #6 | PECO | $26,175,847 |       |
| June 29, 2015        | 2016-2017   | Colburn Hall Renovation | #3 | PECO | $19,524,553 |       |
| June 29, 2015        | 2016-2017   | Colburn Hall Renovation | #6 | PECO | $26,175,847 |       |
| June 29, 2015        | 2016-2017   | Colburn Hall Renovation | #4 | Other State Sources | $15,990,000 | Added to Other State Sources UCF needed to fund |
| June 29, 2015        | 2016-2017   | Colburn Hall Renovation | #5 | Other State Sources | $22,090,000 | Added to Other State Sources UCF needed to fund |
| July 28, 2016        | 2017-2018   | Colburn Hall Renovation | #3 | Other State Sources | $15,000,000 | The Clancy & Theys, Schenkhl Shults, Walter P. Moore and TCL reported on the feasibility of the project. However, it is now clear that the project is not feasible without significant funding. |
| July 28, 2016        | 2017-2018   | Colburn Hall Renovation | #6 | Other State Sources | $23,000,000 | The Clancy & Theys, Schenkhl Shults, Walter P. Moore and TCL reported on the feasibility of the project. However, it is now clear that the project is not feasible without significant funding. |
| July 28, 2016        | 2017-2018   | Colburn Hall Renovation | #3 | Other State Sources | $15,000,000 | The Clancy & Theys, Schenkhl Shults, Walter P. Moore and TCL reported on the feasibility of the project. However, it is now clear that the project is not feasible without significant funding. |
| July 28, 2016        | 2017-2018   | Colburn Hall Renovation | #6 | Other State Sources | $23,000,000 | The Clancy & Theys, Schenkhl Shults, Walter P. Moore and TCL reported on the feasibility of the project. However, it is now clear that the project is not feasible without significant funding. |
| February 27, 2017 (Revised 3/3/2017) | 2017-2018   | Colburn Hall Building Program | #5 | PECO | $38,000,000 | Signed Building Program |
| July 20, 2017         | 2017-2018   | Colburn Hall Colburn Hall Demo | #5 | PECO | $38,000,000 | Requesting funding to reimburse UCF |
| July 10, 2018         | 2018-2019   | Colburn Hall Colburn Hall Demo | #5 | PECO | $38,000,000 | Requesting funding to reimburse UCF |
| July 10, 2018         | 2018-2019   | Colburn Hall Colburn Hall Demo | #5 | PECO | $38,000,000 | Requesting funding to reimburse UCF |
| July 10, 2018         | 2018-2019   | Colburn Hall Colburn Hall Demo | #5 | PECO | $38,000,000 | Requesting funding to reimburse UCF |
Exhibit C

ITEM: INFO-7

University of Central Florida
Board of Trustees
Finance and Facilities Committee

SUBJECT: Colbourn Hall Renovations

DATE: April 3, 2014

For information only,
CALL TO ORDER
Trustee Marcos Marchena, chair of the Finance and Facilities Committee, called the meeting to order at 8:34 a.m. Committee members Alex Martins, Reid Oetjen, and Melissa Westbrook were present. Committee members John Sprouls and Robert Garvy attended via teleconference.

MINUTES APPROVAL
The minutes of the January 23, 2014, and February 12, 2014, Finance and Facilities Committee meeting were approved as submitted.

NEW BUSINESS
Universal Health Insurance for New Students (FFC-1)
Maribeth Ehasz, Vice President for Student Development and Enrollment Services, and Michael Deichen, Director of Health Services, led a discussion regarding the concept of universal health insurance as a condition of enrollment for new students beginning Fall 2015. Ehasz and Deichen received questions from the committee members and will return to a future meeting with additional information.

Finance and Facilities Committee Charter Review (FFC-2)
Chair Marchena explained that regulations implemented by the Board of Trustees in January 2011 direct the Finance and Facilities Committee to review its charter every three years. No changes to the charter were proposed, and the committee unanimously approved to keep the charter with its current format and content.

Amend UCFAA Bylaws (FFC-3)
Jordan Clark, Associate General Counsel, discussed a proposal to amend the UCF Athletics Association bylaws to combine the standing Audit Committee and Finance Committee to create a new single Audit and Finance Committee. The purpose of the amendment is a housekeeping measure and allows for more flexibility and administrative ease when scheduling committee meetings and obtaining a quorum. The committee unanimously approved the proposed amendment.
Direct Support Organizations' 2013-14 Second-Quarter Financial Reports (INFO-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, reported that the DSOs' 2013-14 second-quarter financial reports ended December 31, 2013, were provided as information items.

Golden Knights Corporation and UCF Athletic Association 2013-14 Second-Quarter Financial Report Presentation (INFO-2)
Todd Stansbury, Director of Athletics, Brad Stricklin, Senior Associate Athletics Director and Chief Financial Officer, and David Hansen, Senior Associate Athletics Director of Internal Operations, gave a presentation on the Golden Knights Corporation and UCF Athletic Association's operating results and budget.

University and DSO Debt Report (INFO-3)
Merck reported that the University and DSO Debt Report was provided as an information item.

2013 Audited University Financial Statements (INFO-4)
Tacy Clark, Associate Vice President for Administration and Finance and Controller, reported that the 2013 Audited University Financial Statements were provided as an information item.

Bloomberg Terminal Fee Discussion (INFO-5)
Paul Jerley, Dean of the College of Business Administration, explained the purpose of the Bloomberg terminals for finance and real estate majors and the need for the associated revised equipment fee for those students beginning 2014-15.

UCF Convocation Corporation Series 2004A Certificates of Participation Refinancing (INFO-6)
Pittman explained that the UCFCC has the opportunity to refinance debt issued in 2004, resulting in possible savings in excess of 5 percent. Various financing alternatives are currently being explored to determine which option will yield the best overall savings. The committee unanimously recommended the UCFCC refinance this debt.

Colbourn Hall Renovations (INFO-7)
Merck and Lee Kernek, Associate Vice President for Administration and Finance, explained the preferred renovation option for Colbourn Hall is to build a new 75,000 square-foot building adjacent to the current building. Upon completion, the employees and departments housed in Colbourn Hall would move into the new building. Possibilities for the existing Colbourn Hall are contingent upon funding and will be considered at a future date. The committee unanimously recommended moving forward with the preferred renovation option.

Invitation to Negotiate for a Hotel and Conference Center (INFO-8)
Merck discussed the Invitation to Negotiate being developed for a hotel and conference center that potentially would be constructed on campus. The results and recommendation will be brought back to the committee before a decision is made.
Global Academy Facilities Update (INFO-9)

Merrick, Clark, and Paul Lartonoix, Interim Assistant Vice Provost, provided an update on the financing and construction of the Global UCF classroom building and parking garage. The committee unanimously recommended an internal loan to finance the classroom building. The parking garage is proposed to be funded through the revenue bond process. Lartonoix also provided an update on the Global UCF program itself.

Chair Marchena adjourned the Finance and Facilities Committee meeting at 10:30 a.m.

Respectfully submitted:

William F. Merrick II
Vice President for Administration and Finance
and Chief Financial Officer
University of Central Florida
Board of Trustees

SUBJECT: Colbourn Hall Renovations
DATE: May 22, 2014

PROPOSED BOARD ACTION

Approval to proceed in the renovation process for Colbourn Hall.

BACKGROUND INFORMATION

Constructed 40 years ago, Colbourn Hall suffers from issues common to older buildings. In addition, the original HVAC system is still in operation. Renovating the building in phases is not practical, as it would necessitate the university provide temporary housing for almost 200 faculty members, department offices, the Graduate Student Center, and the University Writing Center.

The preferred renovation option is to build a new, approximately 75,000 square-foot building adjacent to the current building for the employees and departments housed in Colbourn Hall. Possibilities for the existing Colbourn Hall are contingent upon funding and will be considered at a future date.

The cost of the new building is estimated at $21.3 million. In the absence of PECO funding and considering the need to move forward expeditiously, construction costs will be paid from UCF non-recurring funds.

Supporting documentation: None

Prepared by: William F. Merck II, Vice President for Administration and Finance and Chief Financial Officer

Submitted by: William F. Merck II, Vice President for Administration and Finance and Chief Financial Officer
Chair Olga Calvet called the meeting of the Board of Trustees to order at 1:05 p.m. in the Live Oak Center on the UCF Orlando campus.

The following board members attended the meeting: Trustees Jim Atchison, Weston Bayes, Clarence Brown, Richard Crotty, Robert Garvy, Marcos Marchena, Alex Martins, Reid Oetjen, and Beverly Seay.

WELCOME

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

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

Calvet welcomed public comment from Jonathan Sebastian Blount. Blount is founder of Essence Magazine.

Calvet called for approval of the March 27, 2014, meeting minutes, which were approved.

Calvet called on John C. Hitt for remarks and introductions.

REMARKS

Hitt welcomed and congratulated new board member, Weston Bayes, the newly-elected president of the UCF Student Government Association.

Hitt announced that Reid Oetjen was elected to a second, one-year term as chair of the Faculty Senate and retains his seat on the board of trustees.

INTRODUCTIONS

Hitt recognized the following members of the UCF community, congratulating them for their accomplishments.

A. Students

Dan Holosenbeck, Vice President for University Relations, introduced this year’s legislative scholars and thanked them for their service: Jon Bielby, Alysha Burgess, Jarrett Davis, Kevin Deo, Miaetha Duffy, Kurt McDavid, Elisabeth Mendes, Allysia Mompoint, Christina Nguyen, and Jessica Sirianni.
Hitt announced that the UCF Collegiate Cyber Defense Competition Team placed first in the 2014 Raytheon National Collegiate Cyber Defense Competition. Members of the team present for recognition were Carlos Beltran, team captain, Jason Cooper, team co-captain, Alex Davis, Dale Driggs, Mark Ignacio, Heather Lawrence, Cody McMahon, Tray Micka, and Dr. Thomas Nedorost, faculty sponsor.

Hitt congratulated women’s golfer Ashley Holder and head coach, Emily Marron. Holder was named this year’s American Athletic Conference Player of the Year and Freshman Golfer of the Year.

Hitt noted that UCF’s softball team won the American Athletic Conference regular-season championship. Junior Farrah Sullivan was named the AAC Player of the Year and head coach Renee Lauers-Gillspie’s coaching staff was named Coaching Staff of the Year.

B. Faculty

Zenghu Chang, a distinguished professor of physics and optics, was recognized for holding the world’s record for the shortest laser pulse. He was awarded more than $9 million dollars, and his research can lead to faster, more efficient computers and electronic devices.

Timothy Coombs, professor in the Nicholson School of Communication, was recognized for his winning the 2013 Pathfinder Award from the Institute for Public Relations. This lifetime achievement award recognizes a body of scholarly research that has made a significant contribution to the theory and practice of public relations.

C. 2014 Pegasus Professors Awards

Hitt referred the board members to their FYI materials for a summary of the meritorious achievements of each of the 2014 Pegasus Professors and Reach for the Stars recipients.

The Pegasus Professor Award is UCF’s most prestigious faculty honor, distinguishing extraordinary contributions to the UCF community through teaching, research, and service. This year, four faculty members were presented with this award. Hitt recognized and congratulated the following recipients who were in attendance.

Arsitide Dogariu, Florida Photonics Center of Excellence
Jeffrey Rupert, School of Performing Arts

D. Reach for the Stars Awards

The UCF Reach for the Stars award honors highly successful research and creative activity accomplished by early-career university professionals. There were eight recipients for this year’s inaugural UCF Reach for the Stars awards. Hitt recognized and congratulated the following recipients who were in attendance.

Ayman Abouraddy, Center for Research and Education in Optics and Lasers
Thomas Bryer, School of Public Administration
Stephen Fiore, Department of Philosophy
Joseph LaViola II and Dr. Kenneth Stanley, Department of Electrical Engineering and Computer Science, and Eleazar Vasquez III, Department of Child, Family, and Community Sciences

E. Employee of the Month

The Employee of the Month for May was Jim Sullivan, a maintenance specialist at the Recreation and Wellness Center.

Hitt asked the audience to join him in congratulating these members of the UCF family.

F. Diligent Boardbooks

Schell provided an update on Diligent Boardbooks, an electronic format for handling board and committee documentation. Schell announced that the first paperless meeting will be on September 25, 2014. One-on-one training will be provided for trustees in September.

REPORTS

Deborah German, Vice President for Medical Affairs and Dean of the College of Medicine, gave an update on the UCF College of Medicine.

INFORMATION

Calvet noted the following informational item.

- INFO-1 – New Committee Assignments

CONSENT AGENDA

A motion was made to accept the consent agenda, and members of the board unanimously approved the following actions.

- EP-1 2014 Tenure Recommendations—Approval of tenure for faculty members whose names are recommended.
- FF-1 Amend UCFAA Bylaws—Approval to amend the UCF Athletics Association Bylaws to combine the standing Audit Committee and Finance Committee to create a new single Audit and Finance Committee.
- FF-2 Refinancing of the UCF Convocation Corporation Series 2004A Certificates of Participation—Approval to refinance the UCF Convocation Corporation Series 2004A Certificates of Participation.
• **FF-3** Revisions to Amendments to Regulation UCF-6.008 Vehicle Registration Fees and Parking Violation Fines—Approval of the attached amendments to existing university regulation UCF-6.008 Vehicle Registration Fees and Parking Violation Fines, effective at the start of the Fall 2014 semester, pending approval by the Florida Board of Governors.

**EDUCATIONAL PROGRAMS COMMITTEE REPORT**

Robert Garvy, Chair of the Educational Programs Committee, noted the items approved in the consent agenda and reported the highlights from the committee meeting earlier in the day.

- Diane Z. Chase, Interim Provost and Vice President for Academic Affairs, reported on the 2014 Tenure Recommendations.
- Chase and Paige Borden, Assistant Vice President for Institutional Knowledge Management, provided an overview of the UCF 2014-15 Work Plan.
- Dean Bahaa Saleh, College of Optics and Photonics, Interim Vice Provost and Dean Elliot Vittes, Office of Undergraduate Studies, and Dean Ross Hinkle, College of Graduate Studies, reported on the 2012-13 Academic Program Review Recommendation Implementation Status.
- Maribeth Ehasz, Vice President for Student Development and Enrollment Services, reported on enrollment and housing trends.
- Chase provided the provost’s update and noted that the Global Achievement Academy is underway with 70 students expected to enroll in the fall. She reported that the affordability textbook bill did not pass in the current legislative session. However, UCF is working with the bookstore to provide avenues to control textbook costs for the students. Chase stated there is an increase in funding to allow for an increase in hiring of new faculty.

**ADVANCEMENT COMMITTEE REPORT**

Rich Crotty, Chair of the Advancement Committee, reported the highlights from the committee meeting earlier in the day.

- Hitt reported on a $2 million legislative appropriation for UCF’s downtown presence. The project is being discussed.
- Joyce Henckler, Chief Development Officer of the UCF Foundation, reported on the capital campaign stating that $130 million had been secured towards the campaign with $80 million in active requests. She further stated that the Alumni Association had a busy graduation season, hosting senior send-off events within the colleges.
- Crotty reported that the NFL draft sparked enthusiasm from UCF alumni and fans as they gathered across the country to watch Blake Bortles drafted by the Jacksonville Jaguars. UCF benefited from the good publicity surrounding this event.
FINANCE AND FACILITIES COMMITTEE REPORT

Marcos Marchena, Chair of the Finance and Facilities Committee, noted the items approved in the consent agenda. He invited 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, to provide a brief summary on the net savings involved with consent agenda item FF-2, Refinancing of the UCF Convocation Corporation Series 2004A Certificates of Participation, approved earlier in the day.

Marchena presented the following items for board approval.

- **FF-4** Colbourn Hall Renovations—A motion was made and unanimously passed to proceed with the new construction to replace Colbourn Hall.

- **FF-5** Global UCF Facilities Update—A motion was made and unanimously passed to proceed in the construction of an academic building to support the Global UCF program.

- **FF-6** 2014-15 Tuition and Fees, Amendments to University Tuition and Fee Regulation UCF 9.001—A motion was made and unanimously passed approving the tuition, tuition differential, out-of-state fees, financial aid fees, and technology fees for undergraduate, graduate, and professional students, effective Fall 2014. Also approved were amendments to University Tuition and Fee Regulation UCF-9.001.

- **FF-7** 2014-15 University Operating Budget—A motion was made and unanimously passed approving the university’s 2014-15 operating budget.

- **FF-8** 2014-15 Capital Outlay Budget—A motion was made and unanimously passed approving the university’s 2014-15 capital outlay budget and authorizing the president to make necessary adjustments to the 2014-15 capital outlay budget.

- **FF-9** Florida Statewide Mutual Aid Agreement—A motion was made and unanimously passed approving the Florida Statewide Mutual Aid Agreement for the State of Florida Division of Emergency Management.

Marchena reported highlights from the committee meeting held on April 3, 2014. He advised that the committee had reviewed its charter for potential modifications and is recommending no changes.

Hitt announced that M.J. Soileau reported that grant and contract funding reached $131 million, which is an increase of 31 percent from last year.

Calvet announced that all future board meetings will be held at the Fairwinds Alumni Center. She requested trustees to submit to Rick Schell any topics they would like to discuss at the July board retreat.
ANNOUNCEMENTS AND ADJOURNMENT

Chair Calvet announced the following upcoming meetings:

- Board of Governors meeting June 17–19, 2014
  (Fairwinds Alumni Center)
- Board of Trustees retreat July 24, 2014
  (Fairwinds Alumni Center)

Calvet adjourned the board meeting at 2:24 p.m.

Respectfully submitted: __________________________ Date: __________________________

John C. Hitt
Corporate Secretary
ITEM: FFC-4

University of Central Florida
Board of Trustees
Finance and Facilities Committee

SUBJECT: Razing of Building 18
DATE: June 27, 2016

PROPOSED COMMITTEE ACTION

Approve the demolition of building 18, contingent upon the Educational Plant Survey recommendation, and authorize the president to make necessary adjustments.

BACKGROUND INFORMATION

Building 18 is in poor condition and should be demolished. Deficiencies are found in structure, the building envelope, indoor air quality, fire alarm systems, potable water and plumbing distribution systems, electrical service, asbestos, HVAC, lighting, building automation, ADA compliance, interior finishes, flooring, egress, exterior lighting, and utility service entrances. Information technology upgrades also are necessary in order to meet current and future technology requirements. The building is showing signs of structural deterioration on the second and third floor exposed-exterior walkways, around the perimeter of the building, and throughout on steel handrails and structural steel-shelf angles.

The estimated cost to correct the problems within the building is in excess of $15,000,000, which is greater than 60 percent of the building cost.

According to Administrative Rule 6C-9.004 Razing of Buildings, as prescribed by Section 240.22 Florida Statutes, Universities, each university’s Board of Trustees shall have the authority to raze buildings. Prior to demolition of any educational support facility with a replacement cost exceeding $1,000,000, the university shall obtain an Educational Plant Survey recommendation for demolition. The university Board of Trustees shall review and approve the Educational Plant Survey recommendation and transmit it to the Board of Governors for validation.

A spot survey by the BOG’s staff has been requested.
Supporting documentation: Attachment A: Photographs of the building

Prepared by: Lee Kernek, Associate Vice President for Administration and Finance

Submitted by: William F. Merck II, Vice President for Administration and Finance and Chief Financial Officer
CALL TO ORDER
Trustee Alex Martins, chair of the Finance and Facilities Committee, called the meeting to order at 8:32 a.m. Committee members Bill Yeargin, Christopher Clemente, and David Walsh were present. Committee member Keith Koons and chairman Marcos Marchena attended by teleconference.

MINUTES APPROVAL
The minutes of the April 29, 2016, and May 31, 2016, Finance and Facilities Committee meetings were approved as submitted.

NEW BUSINESS
Direct Support Organizations' 2014-15 Third-Quarter Financial Reports (INFO-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, reported that the 2015-16 third-quarter financial reports ended March 31, 2015, for the UCF DSOs were provided as information items.

Release of Unrestricted UCF Stadium Corporation Revenues (FFC-1)
Merck and Pittman requested the release of unrestricted UCF Stadium Corporation revenues. The 2015-16 budget was approved by the UCF Stadium Corporation’s board, which reflects projected unrestricted excess revenues of $3,876,922 to be available for transfer to the UCPAA. The committee unanimously approved the release of unrestricted UCF Stadium Corporation revenues as presented.

2015-16 Direct Support Organizations’ Budgets (FFC-2)
Merck presented for approval the 2016-17 operating budgets for the following DSOs: UCF Athletics Association, UCF Convocation Corporation, UCF Finance Corporation, UCF Foundation, UCF Research Foundation, and UCF Stadium Corporation. The committee unanimously approved the budgets as presented.

Five-year Capital Improvement Plan (FFC-3)
Merck and Lee Kernek, Associate Vice President for Administration and Finance, requested approval of the capital improvement plan options for 2017-18 through 2021-22. Each year, the university must submit an updated capital improvement plan to the Board of Governors. This plan identifies projects that will be included in the three-year Public Education Capital Outlay
list and provides information to the State Board of Education for its request for capital project funding for 2017-18. The capital improvement plan must be submitted to the Board of Governors' staff by August 1, 2016.

The committee unanimously approved the 2017-18 Capital Improvement Plan with the projects listed in the attached schedules.

Razing of Building 18 (FFC-4)
Merek and Kernek presented a request for the razing of Building 18, also known as Colbourn Hall. Building 18 is in poor condition and should be demolished. The estimated cost to correct the problems within the building is in excess of $15,000,000, which is greater than 60 percent of the building cost.

According to Administrative Rule 6C-9.004 Razing of Buildings, as prescribed by Section 240.22 Florida Statutes, Universities, each university's Board of Trustees shall have the authority to raze buildings. Prior to demolition of any educational support facility with a replacement cost exceeding $1,000,000, the university shall obtain an Educational Plant Survey recommendation for demolition. The university Board of Trustees shall review and approve the Educational Plant Survey recommendation and transmit it to the Board of Governors for validation.

A spot survey by the BOG's staff has been requested. The committee unanimously approved the demolition of Building 18.

Status of UCP Projects Presentation (INFO-4)
Kernek gave a presentation on the status of the active as well as planned construction and renovation projects on campus.

Chair Martins adjourned the Finance and Facilities Committee meeting at 10:27 a.m.

Respectfully submitted:

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

Date: 1-1-14
Chairman Marcos Marchena called the meeting of the Board of Trustees to order at 1:00 p.m. in the Live Oak Event Center on the UCF Orlando campus.

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

**WELCOME**

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

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

Marchena announced that special guest, Senate President Andy Gardiner, was in the audience and recognized him for all that he has done for UCF and the Orlando community. Marchena called on John C. Hitt who invited Senator Gardiner to join him and Chairman Marchena. Hitt remarked that UCF's successes of late are the direct results of several factors:

- location, location, location! Orlando and Central Florida destinations speak for themselves;

- a truly dedicated, motivated, and brilliant faculty who, in turn, attract a student body of talent, loyalty, and promise for the future;

- and, perhaps the most envied partnership in Florida with our local officials and elected members of the Legislature, led by Senator Gardiner and UCF alumnus Speaker of the House, Steve Crisafulli. Hitt stated that their representation of UCF's best interests through the legislative process is unprecedented!

Marchena thanked Senator Gardiner for his service to the state and Central Florida and for his support of UCF, adding that he is the type of public official who represents the very best of what we want in government.

Hitt invited Senator Gardiner to speak. Senator Gardiner said that in politics timing is everything and that we as a community had been fortunate with the type of partnerships we had formed. He was grateful to be Senate President when there were so many incredible opportunities for UCF.
and our community. He expressed his gratitude to be able to serve the Florida Senate and the community, and he thanked UCF for the recognition.

Hitt presented Senator Gardiner with a framed certificate and thanked him for his representation in the Florida Senate and for all that he has done for UCF.

PUBLIC COMMENTS

Mears. Jimmy Briggs, Jeffrey Koeppel, Justin Hemlepp, and Nicholas Bagma commented on Educational Programs Item EP-4c, Amendment to University Regulation UCF 5.0021 Student Government and Registered Student Organizations.

Sean Lavin reported that he is a graduate of UCF who participated in student government and the student press and had covered UCF over the last ten years for local media. He said that he plans to attend law school at University of Florida and thanked members of UCF and the board for their service.

Marchena responded and thanked the commentators. Marchena stated that, with Trustee Clemente’s modifications to item EP-4c at the Educational Programs Committee meeting held earlier in the morning, the concerns that had presented had been addressed. Trustee Garvy advised the commentators that the regulation had been amended clarifying that the Student Government Association would control the expenditures of the funds.

MINUTES

Marchena called for approval of the May 13, 2016; May 31, 2016; June 14, 2016; and July 7, 2016; meeting minutes, which were approved.

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

REMARKS

Hitt reported that according to the National Academy of Inventors, the University of Central Florida ranked number 19 in the nation among public universities and number 40 in the world for the number of U.S. patents it secured in 2015.

Hitt reported that UCF had secured 50 patents for invention from the U.S. Patent and Trademark Office in 2015. He stated that UCF, the University of Florida, and the University of South Florida, which together represent the Florida High Tech Corridor, had 245 U.S. patents, exceeding the Research Triangle universities—Duke University, North Carolina State University, and the University of North Carolina— which had 131 patents.

Hitt called on A. Dale Whittaker, Provost and Executive Vice President, who introduced Elizabeth Klionsky, the new Vice President for Research and Dean of the College of Graduate Studies.
Whittaker introduced and welcomed Jeff Moore, the new Dean of the College of Arts and Humanities.

Hitt called on William F. Merck II, Vice President for Administration and Finance and Chief Financial Officer, who introduced Maureen Binder, the new Chief Human Resources Officer.

Hitt called on Danny White, Vice President and Director of Athletics, who introduced Florida native Greg Lovelady, UCF’s new baseball coach.

INTRODUCTIONS

Hitt acknowledged and congratulated the following UCF faculty and staff members.

A. Faculty

Michael Chini, a post-doctoral associate in the Physics Department, was recognized by the Oak Ridge Associated Universities with a 2016 Ralph E. Powe Junior Enhancement Award in physical sciences. Recipients are given an unrestricted $5,000 research award, which is matched by the home institution. Hitt presented him with an ORAU plaque.

Alexander Katsevich, a professor of mathematics, has received the highest international honor by the forestry industry: the 2016 Marcus Wallenberg Prize. Katsevich is well known for “The Katsevich Algorithm” and other groundbreaking techniques. His co-recipient applied Katsevich’s approach to forestry. The prize comes with an award of approximately $246,000.

College of Medicine researcher Shadab Siddiqi identified for the first time a tiny liver protein that when disrupted can lead to the nation’s top killer, cardiovascular disease, as well as fatty liver disease, a precursor to liver cancer. His finding was the cover story of the June 10 edition of The Journal of Biological Chemistry. An associate professor in the Burnett School of Biomedical Sciences, Siddiqi’s latest discovery was funded by the National Institutes of Health.

B. Employee of the Month

The Employee of the Month for May was Lindell Jones, a teacher’s assistant at the Creative School for Children for almost 18 years.

The Employee of the Month for June was Susan Terrill, an office assistant in the John C. Hitt Library.

Hitt gave a special thanks to Greg Gromak for initiating and creating the lighting display on Millican Hall to honor the Pulse Nightclub victims and presented him with a framed photo of the Millican Hall lights.
REPORTS

Marchena stated that earlier this summer, Orlando was the site of the worst mass shooting in modern U.S. history. UCF was a leader in its response to the tragedy, and we continue to help the community. Marchena called on Maribeth Elasz, Vice President for Student Development and Enrollment Services, and Grant Heston, Vice President for Communications and Marketing, who gave a report on the following, including videos.

- INFO-1 UCF’s Response to the Pulse Nightclub Tragedy

Marchena welcomed Chair Emeritus Rick Walsh and Michael Morsberger, Vice President for Alumni Relations and Development and CEO, UCF Foundation, Inc., who reported on the following.

- INFO-2 IGNITE The Campaign for UCF

Marchena thanked Chair Emeritus Rick Walsh for his continued involvement with the university.

Marchena recognized Nelson Marchioli, Chair of the UCF Foundation Board, and thanked him for his dedication and contribution of time.

ADVANCEMENT COMMITTEE REPORT

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

- Heston provided an overview of social media strategy and its impact in engaging students, alumni, and the community. Heston announced that a new UCF license plate will be available through the Department of Motor Vehicles, and it is the first new UCF design in 29 years. All license plate revenue comes to the university for the benefit of students.

- Dan Holsenbeck, Senior Vice President for University Relations, reported that his team is working with the university’s general counsel to develop appropriation agreements for the distribution of funds that are approved for this year’s budget. Holsenbeck stated that many legislative campaigns were underway and reminded the board of the policies and regulations surrounding lobbying at a state university, and that the university must remain neutral in all campaign activity.

- Holsenbeck introduced Greg Schuckman, Assistant Vice President for University Relations and Director of Federal Relations, who lobbies on behalf of UCF in Washington, D.C. Schuckman also works on coalitions with other universities on higher education issues.

- Michael Morsberger, Vice President for Alumni Relations and Development and CEO, UCF Foundation, Inc., presented a review of fiscal year 2015-16 and provided an update on the progress of the IGNITE campaign. The campaign has reached the halfway mark in its fundraising towards the $500 million goal. September 16 is the public launch of the campaign.
Marchena stated that before proceeding with the next committee report, he wished to note that at
the last board meeting he had commented on the Governor Rick Scott's Degrees to Jobs Summit,
and had acknowledged Hitt's and Walsh's participation on panels. Marchena then recognized
Trustee Sproul's participation at the Summit as the keynote speaker at one of the luncheons.

COMPENSATION AND LABOR AD HOC COMMITTEE REPORT

John Sprouls, Chair of the Compensation and Labor Ad Hoc Committee, reported the highlights
from the committee meeting held earlier in the day.

- Sprouls stated the committee reviewed the annual presidential performance and
  compensation review cycle and guidelines. The results will be delivered to the full board
  this fall.

Sprouls presented the following items for board approval.

- CL-1 Amendment to University Regulations UCF-3.0031 Employee Tuition Free
  Course Enrollment and UCF-9.004 UCFAA Employee Tuition Free Course
  Enrollment-A motion was made and unanimously passed by the board approving
  Amendments to University of Central Florida Regulations UCF-3.0031 and
  UCF-9.004.

- CL-2 Amendment to University Regulation UCF-3.0262 Meritorious Service Awards–
  A motion was made and unanimously passed by the board approving amendment
  to University of Central Florida Regulation UCF-3.0262.

EDUCATIONAL PROGRAMS COMMITTEE REPORT

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

- Whittaker reported on the conferral of degrees for summer 2016.
- Whittaker reported on the Path to Preeminence, a Five-year Benchmarking Plan.
- Whittaker announced a new degree program, Master of Science in Genetic Counseling,
  and stated that the program will meet the standards of the Accreditation Council of
  Genetic Counseling. John Weishampel, Associate Dean, College of Graduate Studies,
  presented the program.
- Garvy summarized the amendments stated in the consent agenda items EP-4a Chapter 2
  Regulations and EP-4b Chapter 5 Regulations. Marchena requested that EP-4c University
  Regulation UCF-5.0021 be set aside in order that the board could consider it separately.
- Whittaker reported on tenure with hire.
- Garvy noted that the bulk of the Provost's report was deferred to the next meeting due to
time constraints.
FINANCE AND FACILITIES COMMITTEE REPORT

Robert Garvy, Vice Chair of the Finance and Facilities Committee, reported highlights from the committee meeting held earlier in the day.

- William F. Merck II, Vice President for Administration and Finance and Chief Financial Officer, advised the board of an upcoming item to be heard at the next Finance and Facilities Committee meeting regarding the Nicholson Fieldhouse, and he provided an overview and description of the non-air-conditioned facility. Hitt noted that he would like to have more information collected on what reasonable uses of the space there may be and the full cost of preparing the space so a rational decision could be made.

Garvy presented the following items for board approval.

- **FF-1** Release of Unrestricted UCF Stadium Corporation Revenues–A motion was made and unanimously passed by the board approving the release of revenues above budgeted obligations from the UCF Stadium Corporation to the UCF Athletics Association for 2016-17.

- **FF-2** 2016-17 Direct Support Organizations’ Budgets–A motion was made and unanimously passed by the board approving the 2016-17 operating budgets for the UCF Athletics Association, UCF Convocation Corporation, UCF Finance Corporation, UCF Foundation, UCF Research Foundation, and UCF Stadium Corporation.

- **FF-4** Razing of Building 18–A motion was made and unanimously passed by the board approving the demolition of building 18, contingent upon the Educational Plant Survey recommendation, and authorizing the president to make necessary adjustments.

CONSENT AGENDA

A motion was made to accept the amended consent agenda removing EP-4c, and members of the board unanimously approved the following actions.

- **EP-1** Conferral of Degrees–Approval of the conferral of degrees at the Summer commencement ceremonies

  2,973 baccalaureate degrees
  496 master’s degrees
  159 doctoral and specialist degrees
  3,628 Total

- **EP-2** Path to Preeminence–Five-year Benchmark Plan–Approval of path to preeminence: five-year benchmarking plan
- **EP-3** New Degree Program–Master of Science in Genetic Counseling–Approval of a master of science degree in genetic counseling

- **EP-4a** Amendment to Chapter 2 University Regulation–Approval of amendment to the following Chapter 2 university regulations:
  - UCF-2.001 Undergraduate Admissions
  - UCF-2.003 Admission of Graduate Students
  - UCF-2.0121 Limited Non-Degree-Seeking Applicants
  - UCF-2.0031 Post-baccalaureate Non-Degree-Seeking Applicants

- **EP-4b** Amendment to Chapter 5 University Regulation–Approval of amendment to university regulations relating to student conduct rules, student organization conduct rules, and review proceedings for violations of the conduct rules by students or student organizations. The Chapter 5 regulations to be amended are:
  - UCF-5.006 Student Rights and Responsibilities
  - UCF-5.007 Office of Student Conduct; Scope; Definitions; Student Conduct Records; Special Student Panels
  - UCF-5.008 Rules of Conduct
  - UCF-5.009 Student Conduct Review Process; Sanctions
  - UCF-5.010 Student Conduct Appeals
  - UCF-5.011 Scope; Authority; Principles of Group Responsibility; Violations of Law and Rule of Conduct Violations; Definitions; Student Organizational Conduct Records
  - UCF-5.012 Organizational Rules of Conduct
  - UCF-5.013 Organizational Conduct Review Process; Sanctions; Appeals
  - UCF-5.015 Student Academic Behavior Standards

- **EP-5** 2016-17 Tenure with Hire–Approval of tenure with hire

Marchena then presented EP-4c for the board to consider separately. He stated that the vote is to approve item EP-4c with the amendment approved by the committee, which was presented by Trustee Clemente. The amended text is as follows:

Through its own constitutional procedures and in accordance with Section 1009.24(10)(b), Florida Statutes, Student Government may determine the allocation and expenditure of that portion of University fees fixed by law and designated as Activity and Service Fees. The University must review the Activity and Service Fee budget, and the President may veto any particular line item in the budget.

- **EP-4c** Amendment to University Regulation UCF-5.0021 Student Government and Registered Student Organizations–A motion was made and unanimously passed by the board approving the amendment to university regulations relating to student government allocation and expenditure of fees with the amendment introduced by Trustee Clemente.
NEW BUSINESS

Marchena stated that he received a request from Chairman Thomas Kuntz of the Florida Board of Governors for a report on delegated authority to the president and vice presidents and advised the board that the report was ready to send. In conjunction with that response, Marchena will notify Chair Kuntz that the Nominating and Governance Committee is undertaking a review of that delegation authority.

Marchena reported that Holsenbeck had traveled to Tallahassee to meet with the Governor's staff to discuss ongoing issues related to UCF Downtown.

ANNOUNCEMENTS AND ADJOURNMENT

Marchena announced the following upcoming meetings:

- Commencement: August 6, 2016 (CFE Arena)
- Football Kickoff Luncheon: August 19, 2016
  Contact Rick Schell if you would like to attend
- Board of Trustees meeting: September 15, 2016
  (FAIRWINDS Alumni Center)
- Board of Governors meeting: September 21-22, 2016
  (New College of Florida)

Marchena adjourned the board meeting at 3:10 p.m.

Respectfully submitted: John C. Hitt
Corporate Secretary

Date:
The Florida House of Representatives
Office of the Speaker

Richard Corcoran
Speaker

September 14, 2018

Dear President Whittaker,

I learned last week that the University of Central Florida (UCF) wrongfully spent public funds from a legislatively restricted carry-forward account to construct an unauthorized $38-million building over the course of four years. As I am sure you know, by law, carry-forward funds may be used only for operational purposes and not for capital outlay.

Nonetheless, the UCF Board of Trustees (BOT) approved the use of carry-forward funds to pay for construction of Trevor Colbourn Hall in May 2014, and the building was completed in August 2018. It appears that UCF’s chief financial officer willfully concealed this improper source of capital improvement funds from the BOT as it considered and approved the project. Unfortunately, this occurrence is one more example of mismanagement of taxpayer funds by public entities, and it has tarnished the reputation of UCF.

I am baffled by how the actions of one irresponsible officer’s effort at flouting the Legislature’s and State University System’s budget controls could result in a four-year long unauthorized endeavor of this magnitude. There are only two possibilities: that others within UCF were aware of and conspired in this misuse of public funds, or your administration lacks the necessary internal controls to manage its fiscal responsibilities.

Either scenario warrants an internal investigation and correction through further personnel actions and the establishment of appropriate budgeting procedures and redundancies. I understand you are pursuing an investigation by a third-party law firm. I expect its finding will be shared with the Legislature and the public. Furthermore, I expect the prompt adoption and publication of improved policies and procedures beyond what were described to the Board of Governors on September 13. Lastly, I hope that you intend to pursue any available options to hold Mr. Merek accountable for his willful conduct.

I am asking that the incoming legislative leaders increase the frequency of audits by the Auditor General for UCF so that financial audits would be conducted semi-annually and operational audits would be conducted annually. Additionally, I encourage the Legislature to take the necessary
action in the Fiscal Year 2019-20 General Appropriations Act to address this situation in UCF’s budget. On a related note, I have appointed Speaker-Designate Oliva as chairman of the House Public Integrity and Ethics Committee so that he can lead that committee’s immediate investigation into this matter. The Legislature provides for broad discretion in university budgeting. Perhaps this latitude should be revisited in light of this occurrence.

Sincerely,

Richard Corcoran
Speaker

cc: Jose Oliva, Speaker-Designate, Florida House of Representatives
Bill Galvano, President-Designate, Florida Senate
Ned C. Lautenbach, Chair, Board of Governors, State University System of Florida
Marshall M. Criser, III, Chancellor, State University System of Florida
Marcos R. Marchena, Chair, Board of Trustees of the University of Central Florida
September 14, 2018

The Honorable Rick Scott
Office of the Governor
Plaza Level 5, The Capitol
400 South Monroe Street
Tallahassee, Florida 32399

The Honorable Joe Negron
Senate President, Florida Senate
Room 305, Senate Office Building
404 South Monroe Street
Tallahassee, Florida 32399

The Honorable Richard Corcoran
Speaker, Florida House of Representatives
Room 420, The Capitol
402 South Monroe Street
Tallahassee, Florida 32399

The Honorable Bill Galvano
President-Designate, Florida Senate
Room 420, Senate Office Building
404 South Monroe Street
Tallahassee, Florida 32399

The Honorable Jose Oliva
Speaker-Designate, Florida House of Representatives
Room 422, The Capitol
402 South Monroe Street
Tallahassee, Florida 32399

Dear Sirs,

As the Chair of the Board of Governors of the State University System of Florida, I wanted to make you aware of a recent issue involving the inappropriate use of
operational carry forward funds for the construction of an academic building at the University of Central Florida.

During an ongoing operational audit of the university, an auditor with the Florida Auditor General’s office contacted the Board’s Assistant Vice Chancellor of Finance and Facilities to inquire about the university’s use of carry forward funds for the construction of Trevor Colbourn Hall. Board of Governors Regulation 9.007 limits the use of any unexpended educational and general appropriations (E&G) that are carried forward to a new fiscal year to E&G operating activities only. This is consistent with the statutory prohibition in section 1011.91(1), Florida Statutes, that operating funds (as outlined in detailed university budgets submitted to the Board of Governors) cannot be expended for the construction or reconstruction of buildings except as provided in section 1013.74, Florida Statutes.

While there is authority in section 1013.74 for a university board of trustees to use carry forward funds for fiscal years 2011-2012 through 2022-2023 to establish a new campus, this narrow grant of authority was enacted when Florida Polytechnic University was created in 2011 and limited in time through fiscal year 2022-2023. Notably, it does not apply to any other university or to the situation at hand.

Chancellor Criser immediately contacted President Whittaker to ascertain the facts surrounding the construction of Colbourn Hall and the source of funds. The university advised that its Vice President for Administration and Finance unilaterally made the decision to use carry forward funds to construct the new facility. The original Colbourn Hall was initially placed on the university’s Public Education Capital Outlay (PECO) list and assigned priority #18 in 2010 with a projected renovation cost of $5 million. In 2014, a consultant advised the university the cost of necessary repairs made renovation economically unfeasible. In April 2014, UCF staff recommended approval of the construction of a new Colbourn Hall to the UCF Board of Trustees at a cost of $21.3 million to be paid from UCF “non-recurring funds.” The record of the board of trustees meeting suggests the board was not told that the source of the non-recurring funds would be E&G carry forward funds.

By 2016, UCF staff recommended to its board of trustees that it was more prudent to demolish old Colbourn Hall and increase the square footage of new Colbourn Hall at a cost of $38 million. In July of 2016, the UCF board approved the demolition of old Colbourn Hall. New Colbourn Hall was completed in August 2018, but old Colbourn Hall has not yet been demolished.
Recognizing the critical breach of trust, the UCF Board of Trustees Chair, Mr. Marcos Marchena, called an emergency meeting of the board to rectify the improper use of funds. On September 6, 2017, the UCF Board directed the university to immediately replenish the E&G carry forward funds with auxiliary and other allowable funds and implement a certification process that would require the president, provost, chief financial officer and the general counsel to certify to the board that the funding source is one that is legally available for the project. This will apply to all projects exceeding $2 million and ensure that sufficient internal controls are in place to prevent any inappropriate use of funds.

In addition, the university is reviewing all facilities projects to ensure that inappropriate funds have not been used, has appointed a new interim chief financial officer, and separated duties between finance and facilities. Mr. Merck, the Vice President for Administration and Finance who authorized the misuse of funds, is no longer employed by the university as of September 13, 2018. We are continuing to investigate whether anyone else is involved in this situation.

The Board of Governors requested Chair Marchena and President Whittaker to address the issue and provide a full account of the university’s actions in response at the Board of Governors’ meeting on September 13, 2018. During the meeting, President Whittaker outlined the actions taken as discussed above and stated that in addition, the university has retained an independent law firm to conduct an external investigation into the transaction which will commence next week. The university is also engaging the Association of Governing Boards (AGB) to assist with developing policies and procedures to ensure staff provides the appropriate level of information to the board of trustees necessary to the full and complete exercise of their fiduciary duties to the university and Florida’s taxpayers. President Whittaker will provide the firm’s investigative report to the Board of Governors for its review.

Notwithstanding the actions being taken by the university, the Board is taking the following additional actions. The Board’s Inspector General will work with the Auditor General’s office on the resolution of this audit finding, the university will provide the Board with an accounting of all funds potentially available to address other identified capital needs, and Board staff will work with university staff to develop a written response to all Board member questions. The Board also reduced its legislative budget request by $1.3 million that UCF had requested for plant, operations and maintenance funding for the new building. Finally, the Board deferred any action on a pending
university request for another project until such time as all reviews and inquiries are completed and corrective action is in place.

I want to assure you the Board of Governors views this as a serious breach of trust and that in working closely with the UCF Board of Trustees and President Whittaker, we are collectively taking every possible action to rectify that breach. The inquiry by the Chancellor into this matter is ongoing.

I personally regret that this misuse of state funds has happened. Integrity and transparency are essential to our Board, the university system, and our relationship with you. Through the inquiries related to this incident and a review of controls and processes for financial transactions, we will ensure that best practices are in place. If you have any further questions, please feel free to contact Chancellor Criser or me.

Respectfully,

Ned C. Lautenbach
Chair, Florida Board of Governors

c: Board of Governors Members
   Marshall M. Criser III, Chancellor
   Marcos Marchena, Chair, UCF Board of Trustees
   Dr. Dale Whittaker, President, UCF
September 14, 2018

The Honorable Richard Corcoran
420 The Capitol
402 South Monroe Street
Tallahassee, FL 32399-1300

Dear Speaker Corcoran:

State universities are entrusted to be excellent stewards of taxpayer funds. A violation of trust has occurred at UCF, one that I am committed to thoroughly investigating and resolving alongside our Board of Trustees, the Board of Governors and Speaker-designate Oliva’s committee.

The decision to use inappropriate funds for Trevor Colbourn Hall was made several years ago. In my presidency, something like this will never happen.

As a new president, I am committed to taking immediate and aggressive action to investigate this matter, how it happened and who was involved.

I have worked closely with the UCF Board of Trustees, led by Chairman Marcos Marchena, to take several actions:

- Accepted the resignation of the Vice President for Administration and Finance & Chief Financial Officer who made the decision to use the inappropriate funds for Trevor Colbourn Hall.

- Appointed an interim CFO and a different interim Vice President for Administration and Finance. Splitting these positions will separate UCF’s financial oversight from facilities planning.

- Ordered an external investigation by Bryan Cave Leighton Paisner, an Atlanta-based law firm specializing in corporate internal investigations. This independent investigation will review UCF’s processes, delegations of authority, procedures and personnel, and work directly with the Board of Trustees Audit and Compliance Committee. The investigation will also address questions from the Board of Governors and your letter. We will make the reports publicly available and work closely with the Board of Governors’ Inspector General throughout the investigation.
• Engaged with the Association of Governing Boards to assist with developing policies and procedures that ensure staff provides our Board of Trustees clear, accurate and comprehensive information to fulfill its fiduciary responsibility.

• Will host a special Board of Trustees meeting on Sept. 20 to launch the external investigation and discuss the process moving forward to address the questions of our Board, the Board of Governors and Florida House.

Additionally, as approved by our Board of Trustees on Sept. 6, any future capital projects over $2 million will require written certification by the President, the Vice President presenting the item, the General Counsel and the new CFO. The certification will identify the source of all funds and certify that they are appropriate for the purpose sought.

As the Board of Governors told me yesterday, UCF has a “journey ahead” to earn back the trust of our Board of Trustees and state leadership. My promise to you and Speaker-designate Oliva is that our new administration is committed to earning it back — and we will do so with integrity and transparency.

We understand and embrace the need for additional audits, and we will work with you to strengthen the necessary controls to uphold our responsibility to you, our Boards and Florida’s taxpayers.

I am available to answer any additional questions you may have.

Sincerely,

Dale Whittaker
President

cc: Rick Scott, Governor, Florida
José Oliva, Speaker-Designate, Florida House of Representatives
Joe Negron, President, Florida Senate
Bill Galvano, President-Designate, Florida Senate
Ned C. Lautenbach, Chair, Board of Governors, State University System of Florida
Marshall M. Criser, III, Chancellor, State University System of Florida
Board of Governors Members
Marcos R. Marchena, Chair, Board of Trustees of the University of Central Florida
UCF Board of Trustees Members

Phone: 407.823.1823 • Fax: 407.823.2264
An Equal Opportunity and Affirmative Action Institution
September 14, 2018

CONFIDENTIAL – BY EMAIL

W. Scott Cole
Vice President and General Counsel
University of Central Florida
4365 Andromeda Loop N
MH 360
Orlando, FL 32816

Re: Engagement of Bryan Cave Leighton Paisner LLP

Dear Mr. Cole:

We are pleased that the University of Central Florida ("UCF") has chosen to engage Bryan Cave Leighton Paisner LLP ("BCLP" or the "Firm") to conduct an independent investigation into the use of state operating funds by UCF for capital projects, including but not limited to the construction of Colbourn Hall. Consistent with our normal practice, this letter and the attached Statement of Engagement Terms and Billing Practices (the "Statement") set forth the terms of our engagement. The Statement is important and is provided to our clients so that they understand in advance how various issues will be handled.

To avoid any misunderstanding in connection with our current (and any future) engagement for you, and in the evaluation of conflicts, we confirm that we have not been asked to act as counsel for any subsidiary, parent, affiliated entity or individual as a result of our acting as counsel to you. Any such relationship, if undertaken by us with any such other entity or individual, must be separately entered into.

Our fees for legal services are based on the time we spend on the engagement. In the event the nature of the services requested justifies a departure from that approach, we welcome the opportunity to discuss alternative arrangements. We separately charge for expenses and other charges incurred in connection with rendering our services, all as described in the Statement.

A rate is determined for each of our lawyers, contract attorneys, and legal assistants on the basis of that person's seniority, experience or area of practice, and the geographic location of the office in which that person works. The hourly billing rates may be adjusted periodically most typically effective with the start of each calendar year. We will notify you of the increase in rates in advance, and if acceptable, an addendum to this contract will be executed to reflect the new rates. The rates for our professionals likely to be involved in rendering services in connection with this matter are as follows: Joseph Burby/$550 per hour; Midlevel...
W. Scott Cole  
University of Central Florida  
September 14, 2018  
Page 2

Associate/$400 per hour; and Junior Associate/$280 per hour. This represents a 17% discount off of the standard rate for these professionals.

Our billing statements are normally rendered on a monthly basis and are due and payable upon receipt. We endeavor to include expenses and other charges in the statement for the month in which they are incurred. On occasion, however, accounting for certain expenses and charges (i.e., late-posted items or international charges), may be delayed, in which case late-posted items will be billed on the next regular statement. The Firm reserves the right to charge a late payment penalty in the form of interest on any statements not paid within 30 days of the statement date at twelve percent (12%) interest.

Our representation is conditioned upon receipt of the signed copy of this letter from you confirming your understanding and approval of these terms of our engagement.

It is possible that some of our present or future clients will have disputes with the University of Central Florida during the time that we are representing you. Therefore, as a condition to our undertaking this engagement, you have agreed that if our Firm intends to represent existing or new clients in any matter potentially adverse to UCF, we will follow the requirements of the Model Rules of Professional Conduct in dealing with the potential conflict. You agree to consent to such representation except where as a result of our representation of you we have obtained sensitive, proprietary or other confidential information of a non-public nature that, if known to any such other client of ours, could be used in any such other matter by such client to the disadvantage of the University of Central Florida.

Our attorney-client relationship is one of mutual trust and confidence. We do our best to see to it that our clients are satisfied not only with our services but also with the fees charged for those services. I will be the Responsible Lawyer for this matter. Whenever you have any questions or comments regarding our services or fees, you should contact me or any other attorney in the Firm with whom you are working. We also encourage you to inquire about any matters relating to our fee arrangements or monthly statements that are in any way unclear.

We appreciate the confidence you have placed in us and look forward to working with you. If this letter and the Statement correctly set forth our mutual understanding, please sign and date the enclosed copy of this letter and return it to us with the attached Statement.

Very truly yours,

R. Joseph Burby, IV

12172623
THIS CONTRACT CONTAINS A BINDING ARBITRATION PROVISION WHICH MAY BE ENFORCED BY THE PARTIES.

THESE TERMS INCLUDING THE ATTACHED STATEMENT OF ENGAGEMENT TERMS AND BILLING PRACTICES ARE APPROVED.

DATED: ____________

University of Central Florida

W. Scott Cole

Signed: Sunday, September 16, 2018

By: W. Scott Cole
Its: Vice President and General Counsel
1 Our Team
1.1 You may contact your client relationship lawyer at any time to discuss any aspect of our services.

1.2 Details of the team for each matter, including the Responsible Lawyer with overall responsibility, will be set out in our engagement letter. We may involve others as well or instead (if necessary without asking you first) including paralegals, contract attorneys, trainees, law clerks, non-practicing barristers and lawyers qualified or licensed in various jurisdictions.

2 BCLP Group
2.1 Bryan Cave Leighton Paisner (the "BCLP Group") is a global law firm comprised of a network of affiliated firms and entities ("BCLP Firms"). The locations of our offices and further jurisdiction-specific information, including a description of each of the BCLP Firms can be found at www.bclplaw.com.

3 Fees
3.1 Our general policy is to calculate fees for legal services on the basis of a rate for each lawyer, contract attorney, and legal assistant engaged in providing such services, multiplied by the number of hours (or fractions thereof) devoted to the rendering of such services by each such lawyer, contract attorney, or legal assistant.

3.2 In serving the client we attempt to utilize those lawyers, contract attorneys, and legal assistants having the lowest hourly billing rates commensurate with the legal knowledge and level of experience required in order to achieve the client’s objective. Depending on the complexity of your matter, the Firm may use contract attorneys during our representation of you. Unless you are notified otherwise, contract attorneys will be supervised and billed by the Firm the same as other attorneys with similar experience. The selection of those lawyers, contract attorneys, and legal assistants who will render services will be made by the lawyer having overall supervisory responsibility for each engagement, taking into consideration the nature of the engagement, the office in which most of those services are likely to be rendered, the degree of legal experience and knowledge required in order to achieve the client’s objective, the availability of lawyers, contract attorneys, and legal assistants to work on the engagement, and their hourly billing rates. We may involve others as well or instead (if necessary without asking you first) including trainees, paralegals, non-practicing barristers and lawyers qualified in various jurisdictions.

4 Conflicts of Interests
4.1 We have procedures in place to prevent our acting for clients when there is a legal conflict of interest. The conflicts of interest rules governing any instruction of the BCLP Group by you will be the applicable conflicts rules in the jurisdiction(s) where the work is being undertaken and which the lawyers of the BCLP Group working on such matter are subject to. If you are aware, or become aware, of a possible conflict, please immediately notify the responsible lawyer for your matter or your client relationship partner.

4.2 Occasionally a conflict of interest involving another BCLP client may appear after we have started acting for you on a matter. If this happens; subject to our duty of confidentiality, we will discuss the matter with you to try to resolve the conflict, but we may have to stop acting for you on that matter and you agree that we will be free, taking account of applicable rules and law, best practices and your and any other concerned client’s interests and wishes, to decide whether to act for both clients, for one, or for neither.

4.3 In certain cases, more than one of our clients may have an interest in the same subject matter of a transaction, or be competing for the same asset. Examples might be buying an entity through auction sale or tendering for a contract. If this happens, you agree that we are free to act for you and one or more other clients with the same interest.

4.4 You agree that you will not seek to prevent us from acting for other clients, including clients whom you may regard as competitors, on matters in which you may have an interest but have not hired us to represent you. This includes but is not limited to our acting in relation to regulatory, transactional or corporate matters where you and/or your affiliates are involved.

4.5 We reserve the right not to assist you in taking action which is adverse to another client of a BCLP Firm or Associated Firm and we will not be obliged to do so.

5 Deposits
5.1 Any deposits that we receive from you will be placed in our client trust account on your behalf and are refundable to the extent not subject to disbursement. In light of the amount of the deposit we have requested in this case, we expect that it will be placed by us in our unsegregated trust account. Interest earned on that account, pursuant to Georgia Supreme Court Rule, is paid to the Georgia Bar Foundation to be used for providing civil legal assistance to low-income individuals, improving the administration of justice and promoting such other programs for the benefit of the public approved by the Supreme Court.

5.2 Deposits are received with the understanding that we are expressly authorized to withdraw from the trust account the sums necessary to pay for services as they are performed and expenses as they are incurred. You will be notified in writing of the amounts applied or withdrawn, and you will also be provided with a statement explaining the services rendered and costs incurred. If the charges for services and costs exceed the balance on deposit, the statement will show the

12172623 July 2018
6 Litigation and Dispute Resolution Matters

6.1 The outcome, cost and the course of most litigation matters cannot be predicted. Should you ever have questions or concerns, we encourage you to contact us. Your timely and full cooperation and assistance will play a critical role in our efforts. You always retain the right to determine whether a compromise should be pursued and accepted, or, alternatively, whether the matter should be pursued to an adjudication on the merits at trial and thereafter to an appeal. While we cannot assure you that there will not be an adverse outcome, our efforts always are directed toward obtaining the most satisfactory resolution of this matter for you that is possible.

7 Criminal Finances

7.1 We have a legal obligation not to engage in any activity, practice or conduct that could facilitate the illegal evasion of paying UK, US or foreign tax.

8 Anti-Bribery and Corruption

8.1 We are committed to complying with all applicable anti-bribery and corruption laws and regulations to which we are subject, including the Bribery Act 2010 and the Foreign Corrupt Practices Act. To counter non-compliance, our firm and its staff operate under a zero-tolerance approach to bribery and corruption in line with the firm’s policy.

9 Data Protection and Marketing

9.1 We are committed to complying with our privacy obligations. Our Privacy Notice at www.bclplaw.com explains how we collect and use your personal information (including personal information that you provide to us about other persons) (together, “Personal Information”).

9.2 The BCLP Firm you engage is responsible (i.e. it is the “Data Controller”) for the Personal Information it collects from you in connection with our engagement and the manner in which it will be processed to enable us to provide you with our services and comply with our obligations. For further details, please see our engagement letter or contact the lawyer responsible for your matter.

9.3 The amount of clients' Personal Information we collect will typically be relatively limited (e.g. work details and client due diligence information). In certain circumstances, we will need to know more information about you and related persons (for example, where we are acting for an individual client in respect of personal matters). If you do not provide us with this information, or if it is not satisfactory, we may not be able to act, or to continue to act, for you. Your Personal Information will be used primarily to provide you with legal services, but also to comply with our legal and regulatory obligations and those relevant purposes set out in our Privacy Notice (including: (a) for business continuity purposes; (b) for marketing and business development purposes where appropriate; and (c) to manage complaints and claims).

9.4 Please note in particular that: (a) we are under legal and professional obligations to undertake appropriate client due diligence (which will, in certain circumstances, include collecting information about criminal and regulatory convictions and proceedings and verifying such information through electronic data sources); (b) we will monitor and record email, telephone and similar communications in certain circumstances to ensure compliance with applicable rules and law and our internal policies, and for training, quality and business continuity purposes; (c) your Personal Information will be shared on a need-to-know basis within the BCLP Group and, under certain circumstances, to select third parties who provide services to us and to regulators (for further details, see our Privacy Notice). Some of these recipients of your information will be located in other countries (whose privacy laws may not be as comprehensive to those where you are based); and (e) unless agreed otherwise in writing, we may disclose that you are a client of ours. Once details of a matter are in the public domain (other than through an unauthorized disclosure by any party), we may disclose that we acted for you and the general nature of our work. We will disclose this information mainly in pitches and marketing materials.

9.5 Subject to limited exceptions, individuals may have the right under applicable privacy laws to access and correct their Personal Information. If we have to provide information in response to a request from someone whose information we hold in connection with your current or past matters (typically referred to as a ‘Subject Access Request’), providing that information will form part of our services to you for which we will be entitled to charge a reasonable fee. We will not charge the requestor.

9.6 You also agree that you will treat personal information and confidential information that you receive from us as confidential and in accordance with applicable data privacy laws and will use it only for the purpose for which you receive it, or as otherwise required by law.
9.7 We understand the obligations on us to take steps to help provide a secure environment and we will seek to treat Personal Information securely and in accordance with our privacy and information security policies.

9.8 For details of your privacy rights (including the right to object, where there are legitimate grounds to do so, to our processing of your Personal Data), please see our Privacy Notice. If you have any questions regarding our processing of your Personal Information or if you wish to exercise your privacy rights, please contact your matter/relationship partner, or send a written and dated request to privacy@bclplaw.com.

10 Anti-Money Laundering

10.1 In certain jurisdictions where the BCLP Firm operates, we are obliged to obtain and hold satisfactory evidence of the identity of our clients and sometimes of related people to comply with anti-money laundering (“AML”) and anti-terrorist financing legislation.

10.2 We take a risk-based and proportionate approach to identifying clients for AML purposes. Sometimes we may need to: see original documents; check the information you provide; use corporate, personal and/or confidential information to check identity through electronic data sources; and ask you for up-to-date evidence of identity.

10.3 If we ask for documents or information, you must provide them promptly. If you do not, or if they are not satisfactory, we may not be able to act, or to continue to act, for you.

10.4 We have a central team, who handle client identification and AML legislation compliance. They will have access to your corporate, personal and/or confidential information. Other BCLP Firms and Associated Firms may also have access to the information on a need to know basis.

10.5 We do not accept payments in cash whether for our charges or otherwise.

10.6 If we are unable to satisfy ourselves as to source of funds, monies paid to us will usually be frozen and not applied to the transaction, unless and until the appropriate authorities consent.

10.7 We will not make payments to anyone other than you unless this is a necessary part of the transaction, and then only if you instruct us to do so.

11 Termination of Engagement

11.1 You may terminate our engagement with or without cause at any time on written notice to us. Termination of our services will not affect your responsibility to pay for legal services rendered and all expenses and other charges incurred up to the date when we receive notice of termination, and for any further work required of us in order to facilitate an orderly turnover of matters in process at the time of termination.

11.2 We may terminate our engagement for any of the reasons permitted under the Georgia Rules of Professional Conduct, or any other applicable rules, including your failure to promptly pay our bills, misrepresentation of (or failure to disclose) any material facts, action taken contrary to our advice, or any other conduct or situation that in our judgment impairs an effective attorney-client relationship between us or presents conflicts with our professional responsibilities. This letter constitutes reasonable warning that we will withdraw from representing you in this matter if you fail substantially to fulfill an obligation to us regarding our services. Other grounds for terminating our representation are set forth in Rule 1.16 of the Georgia Rules of Professional Conduct, a copy of which we will provide you on request. We may request a stipulation executed by you allowing us to withdraw as your attorney in any judicial, arbitration or similar proceedings, in which event you agree in advance to our withdrawal.

11.3 Our attorney-client relationship will also terminate when a matter for which our Firm was hired has been completed, whether or not our bill to you for services has been rendered or paid. Upon termination of our relationship, the Firm has no duty to accept new engagements or to continue representation in any matters unless mutually agreed in writing.

11.4 Once a matter ends, we will not remind you about future time deadlines or obligations relevant to that matter unless we expressly agree to do so in writing.

12 Future Representation

12.1 In the event our engagement necessitates that we prepare an agreement which provides for ongoing rights and obligations on your part, a dispute concerning the interpretation or enforceability of that agreement may subsequently arise after our engagement has been terminated. In the absence of our express written agreement, you may not assume that the Firm will continue to be free to represent you in a future dispute concerning such agreement.

13 Retention of Files

13.1 Generally, we keep each client's legal files for ten years after we close the file. After ten years, we destroy those files unless the client tells us otherwise. If you want us to keep your files for a longer period of time, please tell us.

14 Arbitration of Dispute

14.1 The Firm and University of Central Florida agree to arbitrate any disputes regarding services related to the Representation. In the event that a dispute arises between us concerning the services we have provided to you, whether claims for legal malpractice, breach of fiduciary duty, breach of contract, or any other claim based upon alleged attorney misconduct, then the
15 Charges

15.1 Our statements to our clients are normally rendered on a monthly basis, and ordinarily include certain charges other than fees for legal services. These charges may include third-party expenses (such as filing fees, court reporters and travel) and internal expenses. Under some circumstances, clients may be asked to contract with and pay directly larger third-party invoices. Other third-party expenses will be added to our bills with no markup. The Firm has elected to charge for certain support activities on the basis of each client’s individual use instead of covering them in its hourly rates for fee earners. The internal charges will be billed in the following way:

15.2 Mail: There is no charge for regular mail. Clients are charged the actual cost of express mail and bulk mailings, as well as air express couriers.

15.3 Messengers: Clients are charged the actual costs of outside messenger service. In some instances, Firm personnel may be used in lieu of an outside messenger service to reduce delivery time. In those cases, delivery charges are competitive with those of the outside messenger.

15.4 Reprographics Costs: When required by size or time constraints of the specific project, reprographics services may be provided by outside vendors and will be charged to clients at actual cost.

15.5 Binding: The Firm charges $5.00 for each binding (velo, spiral, fastback, etc.) job.

15.6 Data Transfers: The Firm charges a fixed rate for burning CDs and DVDs at $8 and $12, respectively.

15.7 Computer Research: The Firm uses several databases to conduct computer-assisted research. The Firm contracts for the majority of those database services in bulk and for several years in advance. The Firm bills clients at a discount from the vendors’ regular rates to third parties where applicable. Charges for usage of databases that are not included under these advance contracts, and all other research databases, are billed to clients at actual cost.

15.8 Long-Distance Telephone Calls: The Firm does not charge clients for long-distance telephone calls.

15.9 Travel expenses shall be reimbursed in accordance with Florida laws on travel.
Standard UCF Addendum for Service Contracts for Purposes of Compliance with Section 119.0701, F.S.

The following provision shall be added to the contract between the University of Central Florida Board of Trustees ("UCF") and Bryan Cave Leighton Paisner LLP ("Contractor"), entitled Engagement of Bryan Cave Leighton Paisner LLP / Colburn Hall Investigation ("Contract").

IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT: Office of the General Counsel, (407) 823-2482, gcounsel@ucf.edu, University Of Central Florida, 4365 Andromeda Loop N., Millican Hall, Suite 360, Orlando, FL 32816-0015.

PUBLIC RECORDS, CONTRACT FOR SERVICES
To the extent that Contractor meets the definition of "Contractor" under Section 119.0701, Florida Statutes, in addition to other contract requirements provided by law, Contractor must comply with public records laws, including the following provisions of Section 119.0701, Florida Statutes:

1. Keep and maintain public records required by the public agency to perform the service.
2. Upon request from the public agency's custodian of public records, provide the public agency with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in this chapter or as otherwise provided by law.
3. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if the contractor does not transfer the records to the public agency.
4. Upon completion of the contract, transfer, at no cost, to the public agency all public records in possession of the contractor or keep and maintain public records required by the public agency to perform the service. If the contractor transfers all public records to the public agency upon completion of the contract, the contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the contractor keeps and maintains public records upon completion of the contract, the contractor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the public agency, upon request from the public agency's custodian of public records, in a format that is compatible with the information technology systems of the public agency.

A request to inspect or copy public records relating to a public agency's contract for services must be made directly to the public agency. If the public agency does not possess the requested records, the public agency shall immediately notify the contractor of the request, and the contractor must provide the records to the public agency or allow the records to be inspected or copied within a reasonable time.

If a contractor does not comply with the public agency's request for records, the public agency shall enforce the contract provisions in accordance with the contract.

This Contractor and any subcontractors shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability.

All other terms and conditions of the Contract remain in full force and effect, unless amended hereby.

UCF
By: W. Scott Cole
Signature: Monday, September 17, 2018
Print Name: ____________________________
Title: ____________________________
Date: ____________________________

CONTRACTOR
By: ____________________________
Signature: Monday, September 17, 2018
Print Name: ____________________________
Title: ____________________________
Date: ____________________________