



UNIVERSITY OF CENTRAL FLORIDA

**Board of Trustees Meeting
February 20, 2020
FAIRWINDS Alumni Center
8:30 a.m. – 1:30 p.m. or until adjournment**

Livestream <https://youtu.be/1-cfevDuV5g>

The Board of Trustees Business Meeting will be livestreamed from 8:30 – 12:30 p.m. or until adjournment

REVISED AGENDA

- | | |
|--|--|
| 1. Welcome and call to order | Beverly Seay, <i>Chair</i> |
| 2. Roll Call | Karen Monteleone, <i>Assistant Vice President, Board Relations</i> |
| 3. Public Comment | Karen Monteleone |
| 4. Minutes of November 6, 2019, November 14, 2019, December 16, 2019 and January 17, 2020 meetings; Retreat minutes of May 17, 2019, and November 20, 2019 | Chair Seay |
| 5. Remarks | Thaddeus Seymour, Jr., <i>Interim President</i> |
| 6. Presidential Search Update | Chair Seay |
| BOT – 1 Motion | Presidential Candidate Evaluation Criteria
<i>Chair Seay</i> |
| INFO – 1 Information | Presidential Transition Update
<i>Trustee Conte</i> |
| 7. Reports | Chair Seay |
| INFO – 2 Information | Enrollment Strategy Task Force Update and Discussion |

Trustee William Self

Presenters: Thaddeus Seymour, Jr., Interim President, Maribeth Ehasz, Vice President, Student Development and Enrollment Services, Sheila Piñeres, Dean of the Burnett Honors College and Kristie Harris, Associate Vice President for Financial Affairs

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| | INFO – 3 | Information | Emerging Issues Updates
<i>Chair Beverly Seay</i> |
| 8. | Break | | |
| 9. | Advancement Committee Report | | Chair Gaekwad |
| 10. | Audit and Compliance Committee Report | | Chair Conte |
| 11. | Compensation and Labor Committee Report | | Chair Sprouls |
| | CL – 1 | Motion | Presidential Assessment Criteria (<i>Sprouls</i>) |
| | CL – 2 | Motion | Presidential Executive Compensation Analysis (<i>Sprouls</i>) |
| | CL – 3 | Motion | Termination of the Performance Unit Plan (<i>Sprouls</i>) |
| | CL – 4 | Motion | Performance Unit Plan Awards (<i>Sprouls</i>) |
| 12. | Educational Programs Committee Report | | Chair Bradley |
| 13. | Executive Committee Report | | Chair Seay |
| 14. | Finance and Facilities Committee Report | | Chair Martins |
| 15. | Governance Committee Report | | Chair Yeargin |
| | GOV – 1 | Motion | Central Florida Clinical Practice Organization, Inc. Bylaws Amendments (<i>Yeargin</i>) |
| 16. | Consent Agenda | | Chair Seay |
| | AUD – 1 | Motion | Review of Audit and Compliance Committee Charter (<i>Conte</i>) |

AUD – 2	Motion	Board of Governors' Performance-based Funding Data Integrity Certification Audit Report <i>(Conte)</i>
AUD – 3	Motion	Performance-based Data Integrity Certification Form <i>(Conte)</i>
EP – 1	Motion	Tenure with Hire <i>(Bradley)</i>
EP – 2	Motion	New Degree Program: Master of Science in Computer Vision <i>(Bradley)</i>
EP – 3	Motion	New Degree Program: Ph.D. in Sustainable Coastal Systems <i>(Bradley)</i>
FF – 1	Motion	L3Harris Engineering External Building Signage Change <i>(Martins)</i>
FF – 2	Motion	Health and Public Affairs Buildings Name Change <i>(Martins)</i>
FF – 3	Motion	Oracle Technical Support Services Agreement Renewal <i>(Martins)</i>
FF – 4	Motion	Parking and Housing 2020-21 Auxiliary Facilities Operating Budgets <i>(Martins)</i>
GOV – 2	Motion	Amendments to University Regulations UCF-4.036 – Skateboarding, Skating and Similar Activities on University Property <i>(Yeargin)</i>
17. Break		
18. New Business		Chair Seay
INFO – 4	Information	Institutional Mission Statement <i>Chair Seay</i>
BOT - 2	Motion	Emerging Issues and Crisis Response Task Force Recommendation <i>Trustee John Sprouls</i> <i>Presenters: Rhonda Bishop, Vice President for Compliance and Risk and Larry Barton, Risk Mangement Consultant, Author and Professor</i>
19. Announcements		Chair Seay
Board of Trustees Meeting		March 19, 2020 <i>(Teleconference Meeting)</i>

Board of Governors New Trustee Orientation	March 24, 2020 <i>(University of South Florida, Tampa)</i>
Board of Governors Meeting	March 25, 2020 <i>(University of South Florida, Tampa)</i>
AGB's 2020 National Conference on Trusteeship	April 5 – 7, 2020 <i>(Washington, D.C.)</i>
Board of Trustees Meeting	April 23, 2020 <i>(UCF Rosen College of Hospitality Management)</i>
Commencement	April 30 – May 2, 2020 <i>(Addition Financial Arena)</i>
20. Trustee Working Lunch <i>(Alumni Center, Ballroom C)</i>	Chair Seay
INFO – 5 Information	New Budget Model <i>Vice Chair Alex Martins</i> <i>Presenters: Michael Johnson, Interim Provost, Joseph Trubacz, Vice President and Chief Financial Officer, Kristie Harris, Associate Vice President for Financial Affairs and Paul Jarley, Dean, College of Business Administration</i>
21. Adjournment	Chair Seay

**Minutes
Board of Trustees Special Teleconference Meeting
University of Central Florida
November 6, 2019**

Chair Beverly Seay called the teleconference meeting of the Board of Trustees to order at 2:00 p.m.

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

WELCOME

Seay welcomed the board members and called on Karen Monteleone, Assistant Vice President, Board Relations, to call the roll. Monteleone determined that a quorum was present.

Chair Beverly Seay attended the meeting in the President's Board Room of Millican Hall.

The following board members attended the meeting via teleconference call: Vice Chair Martins and Trustees Kenneth Bradley, Kyler Gray, John Lord, Harold Mills, William Self, John Sprouls, and David Walsh.

The following trustees did not attend: Joseph Conte, Danny Gaekwad, Robert Garvy, John Sprouls and William Yeargin.

PUBLIC COMMENT

There were no requests for public comment.

NEW BUSINESS

INFO-1 Recommendation of search firm to conduct the UCF Presidential Search

Seay shared that on Tuesday, Nov. 5, 2019, the 15-member University of Central Florida (UCF) Presidential Search Committee met to receive its charge and receive presentations from five search firms that submitted proposals to conduct UCF's Presidential Search. Following the committee's discussion, each committee member shared their top-three ranked firms.

The three firms, in ranked order based on the committee's recommendations were:

- Storbeck/Pimentel & Associates
- Greenwood/Asher & Associates, Inc.
- R. William Funk & Associates

Seay reminded the board that in the October 23, 2019 meeting, she had said she would bring the committee's search firm recommendations to the Board. She opened the floor for

board input and questions.

During board discussion, Martins and Self, who are both on the UCF Presidential Search Committee, concurred with Seay's comments regarding Storbeck/Pimentel & Associates, noting that Storbeck/Pimentel differentiated themselves by giving the most compelling presentation and were well-prepared with an understanding of the university that would translate well in recruiting potential candidates.

Seay said she agrees with the committee's ranking order and will move forward with Storbeck/Pimentel & Associates, requesting that the Vice President and General Counsel finalize an agreement with the firm.

ADJOURNMENT

Seay adjourned the board meeting at 2:20 p.m.

Reviewed by: _____ Date: _____
Beverly Seay, Chair UCF Board of Trustees

Respectfully submitted: _____ Date: _____
Janet Owen, Associate Corporate Secretary

**Minutes
Board of Trustees Meeting
University of Central Florida
November 14, 2019**

Chair Beverly Seay called the meeting of the Board of Trustees to order at 8:30 a.m. at the UCF *FAIRWINDS* Alumni Center.

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

WELCOME

Seay welcomed the board members and called on Karen Monteleone, Assistant Vice President, Board Relations, to call the roll. Monteleone determined that a quorum was present.

The following board members attended the meeting: Chair Beverly Seay, Vice Chair Martins, Trustees Kenneth Bradley, Danny Gaekwad, Robert Garvy, Kyler Gray, John Lord, William Self, David Walsh and William Yeargin.

Trustees Joseph Conte and John Sprouls joined via teleconference.

Trustee Harold Mills was not in attendance.

PUBLIC COMMENT

There were no requests for public comment.

MINUTES

Hearing no corrections to the September 19, 2019 and October 23, 2019 meeting minutes, Seay stated that the minutes stood approved as presented.

REMARKS AND INTRODUCTIONS

Seay recognized and welcomed Trustee Caryl McAlpin, who was recently appointed to the UCF Board of Trustees for a term beginning in January 2020.

Seay called on Interim President Thad Seymour for remarks.

Seymour updated the Board on the progress made with *UCForward*, specifically in strengthening operations.

Seymour discussed the post-investigation action plan and highlighted several steps taken to strengthen a culture of accountability at every level of the organization, indicating that much of

the work has been led by the Vice President for Compliance and Risk, Rhonda Bishop. Highlights included:

- A workshop that was attended or viewed online by 600 administrative faculty and staff across UCF on ethical leadership.
- A 90 percent completion rate for the required online ethics training that the 13,000+ employees are required to take.

Seymour shared the new realignment of academic administrative units under Elizabeth Dooley, Provost and Vice President for Academic Affairs. He noted the new division of analytics and academic planning, which will be led by Dr. Paige Borden in her new role as UCF's Chief Analytics Officer.

Seymour indicated that over the next 60-90 days, he will be focused on evaluating the current administrative structure and leadership, identifying best practices among aspirational peer institutions, and better aligning our organization and leadership with strategic priorities. His goal is to have a set of decisions made by January that can be implemented in the Spring. These decisions will be paired with a set of recommendations for consideration by the next leader so the new President can hit the ground running.

Seymour said another priority is to launch a new university budget allocation model that is strategic, collaborative and transparent with appropriate involvement, governance, and oversight from the Board. The initiative is led by Dennis Crudele, Interim Chief Financial Officer (CFO), Provost Dooley and a steering committee co-chaired by Kristie Harris, Associate Vice President for Financial Affairs, and Paul Jarley, Dean of the College of Business. The committee is made up of faculty, staff, and administrators including student representation from Trustee Gray.

The steering committee will be taking a deep dive into UCF resources with assistance from Huron consultants. The result will be a recommendation for a new budget model that:

- Promotes greater transparency
- Sets strategic priorities
- Assists administration to make informed, data-driven funding decisions

Seymour expects the plan to significantly reduce UCF's carryforward over the next three years.

Seymour stated another initiative will be to implement improvements that will produce \$25 million in annual savings to be reinvested in university-wide priorities. Seymour indicated Mike Kilbride, Assistant Vice President for Administration and Operational Innovation, will work closely with Misty Shepherd, Interim Chief Operational Officer and Crudele to evaluate and identify efficiencies across the organization.

Seymour provided updates on the enrollment task force and a newly created task force to answer the question “What will UCF be known for?”

Seymour reported that the Board of Governors has announced its proposed allocations for “Universities of Distinction” funding. UCF’s proposed allocation is \$12 million.

Seymour concluded his report.

REPORTS

INFO-1 Federal Communications Commission Licensee Requirements

Dr. Phil Hoffman, Executive Director, WUCF TV and WUCF FM presented the Federal Communications Commission Licensee Requirements to the board.

The trustees provided the following comments:

- Gaekwad and Seay asked for clarification on university support in WUCF’s budget.
- Walsh and Yeargin discussed the significant asset that the station is to the university and the value of the bandwidth that was previously sold.
- Lord reminded the board that UCF stepped in and bought PBS to preserve it for central Florida.
- Seay asked that Hoffman return to present the budget model once it is established for WUCF.
- Bradley asked for clarification on the fiduciary responsibilities as an FCC Licensee.

Hoffman asked that the Trustees submit their completed FCC Questionnaire to the Board Office.

INFO-2 Themed Experience: A Competitive Advantage for UCF

The Themed Experience discussion was facilitated by Trustee John Sprouls. The Themed Experience panelists were Jeff Moore, Dean, College of Arts and Humanities; Dr. Michael Georgiopoulos, Dean, College of Engineering and Computer Science; Dr. Youcheng Wang, Dean, Rosen College of Hospitality Management; Peter Weishar, Professor and Director of Themed Experience Program.

The Themed Experience Panel discussed how UCF is uniquely positioned to meet a growing demand for a skilled workforce, forward-thinking research, and creative ideation in the Themed Experience industry. The panelists considered the academic needs of the industry, demonstrated how Themed Experience engages many interdisciplinary areas of the university and builds upon UCF’s existing strengths, and invited discussion for how UCF can best prepare to meet the needs of its students and industry partners.

The trustees provided the following comments:

- Gaekwad asked Wang about the cost of the degree in event, entertainment and theme park management at Rosen. He also asked the average salary a graduate receives from this program and requested the business plan come back to the board at a future meeting.
- Martins asked about the process for ensuring that programs are not being duplicative and the timeline that the first cohort would begin this program.
- Bradley questioned when this program would come before the board and the type of degree that will be offered.
- Self recommended that the administration gives a short presentation to the board on curriculum process at a future meeting. He also asked which college was going to own and run the program and what that would look like.
- Seay indicated this can also be used in medicine as well many other avenues.

EDUCATIONAL PROGRAMS COMMITTEE REPORT

Garvy, Chair of the Educational Programs Committee, reported highlights from the committee meeting held November 12, 2019 and reported that EPC – 1 through EPC – 5 were unanimously approved by the committee and placed on the board’s consent agenda.

Garvy reported that Provost Dooley presented her Provost’s Update to the committee on UCF’s academic enterprise. Garvy also discussed information items INFO –1 through INFO – 3.

EXECUTIVE COMMITTEE REPORT

Seay, Chair of the Executive Committee, reported on highlights from the meeting held on October 22, 2019. Seay discussed information items INFO – 1 through INFO – 5. Seay requested that the committee mark item 53 on the post investigation plan as complete. She reported that EXEC-1 was unanimously approved by the committee to mark item 53 as complete.

FINANCE AND FACILITIES COMMITTEE REPORT

Martins, Chair of the Finance and Facilities Committee, reported on highlights from the meeting held on October 16, 2019. Martins requested that the committee mark four items from the post investigation plan complete. Those items included Item 6, Item 15, Item 17 and Item 33. He reported FFC-3 was unanimously approved by the committee to mark the items as complete. Martins also reported that FF – 1 through FF – 3 were unanimously approved by the committee and placed on the board’s consent agenda and discussed information item INFO – 1 and INFO -3 through INFO – 6.

NOMINATING AND GOVERNANCE COMMITTEE REPORT

Yeargin, Chair of the Nominating and Governance Committee, reported highlights from the committee meeting held on October 22, 2019. He acknowledged that the committee discussed a policy restricting two members from the same organization from serving on a UCF DSO board. Ultimately, the committee agreed not to recommend a policy. The following items were unanimously approved by the committee:

NG – 1 Appointment of Board Member to UCF Research Foundation

Yeargin made a motion to remove from the table and approve NG-1 with a second provided by Gavy. The appointment was approved by the full board unanimously.

NG – 2 UCF Board of Trustees Statement of Expectations

Yeargin made a motion to approve NG-2 with a second provided by Martins. The statement was approved by the full board unanimously.

Yeargin reported that items NG – 3 through NG – 11 were unanimously approved by the committee and placed on the board’s consent agenda. Yeargin also discussed information items INFO – 1 and INFO – 2.

CONSENT AGENDA

Self requested EP – 2 be removed from the consent agenda. Lord made a motion to approve all of the remaining items, EP – 1 through NG – 11, on the consent agenda, which were unanimously approved.

Yeargin made a motion to approve EP – 2, with a second from Bradley. The item was approved unanimously by the board with Self recusing himself from the vote.

NEW BUSINESS

BOT – 1 Campus Master Plan

Misty Shepherd, Interim Vice President and Chief Operating Officer, Duane Siemen, Interim Associate Vice President for Administrative Affairs, and Bill Martin, Senior Director, Facilities Planning and Construction presented on the Campus Master Plan.

The board took a 5-minute break for the public to sign the Speaker Roster and fill out a comment card. Ronald Brook commented on the Campus Master Plan. The Chair allowed Mr. Brook an additional three minutes to complete his comments.

The trustees provided the following comments:

- Bradley confirmed a stadium expansion would require an amendment to the Campus Master Plan.

- Gaekwad asked for clarification on the line item in relation to stadium repair.

Martins made a motion to approve BOT – 1 with a second from Walsh. The Campus Master Plan was unanimously approved.

Garvy and Lord are cycling off the Board in January. Seay recognized both trustees for their commitment and service.

ANNOUNCEMENTS

Seay made several announcements and noted that the board would be moving to the working lunch.

Trustee Working Lunch

INFO – 3 Board of Governors' Trustee Summit Debrief,
Task Force Update and E&G Restoration Update

Seay moderated a brief discussion about the recent Board of Governors Trustee Summit in Gainesville. Trustees who attended agreed that it was a valuable experience.

Seay invited Kristie Harris to present and update on the E&G restoration of funds.

Scott Cole, Vice President and General Counsel, presented an update on BRIDG. Walsh shared comments and invited Chester Kennedy, CEO of BRIDG, and Don Fisher, Osceola County Manager, to make comments.

Seay adjourned the board meeting at 1:56 p. m.

Reviewed by: _____ Date: _____
Beverly Seay, Chair UCF Board of Trustees

Respectfully submitted: _____ Date: _____
Janet Owen, Associate Corporate Secretary

FORM 8A MEMORANDUM OF VOTING CONFLICT FOR STATE OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME <i>Self-William-Thomas</i>	NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE <i>UCF Board of Trustees</i>
MAILING ADDRESS <i>3600 Foxcroft Circle</i>	NAME OF STATE AGENCY <i>University of Central Florida</i>
CITY <i>Orlando, FL</i>	COUNTY <i>Seminole</i>
DATE ON WHICH VOTE OCCURRED <i>Nov. 14th, 2019</i>	MY POSITION IS: <input checked="" type="checkbox"/> ELECTIVE <input type="checkbox"/> APPOINTIVE <i>Chair, Faculty Senate UCF</i>

WHO MUST FILE FORM 8A

This form is for use by any person serving at the State level of government on an appointed or elected board, council, commission, authority, committee, or as a member of the Legislature. It applies to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

Your responsibilities under the law when faced with voting on a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing and filing the form.

INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

ELECTED OFFICERS:

As a person holding elective state office, you may not vote on a matter that you know would inure to your special private gain or loss. However, you may vote on other matters, including measures that would inure to the special private gain or loss of a principal by whom you are retained (including the parent or subsidiary or sibling organization of a principal by which you are retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. If you vote on such a measure or if you abstain from voting on a measure that would affect you, you must make every reasonable effort to disclose the nature of your interest as a public record in a memorandum filed with the person responsible for recording the minutes of the meeting, who shall incorporate the memorandum in the minutes. If it is not possible for you to file a memorandum before the vote, the memorandum must be filed with the person responsible for recording the minutes of the meeting no later than 15 days after the vote.

For purposes of this law, a "relative" includes only your father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with you as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

A member of the Legislature may satisfy the disclosure requirements of this section by filing a disclosure form created pursuant to the rules of the member's respective house if the member discloses the information required by this subsection, or by use of Form 8A.

* * * * *

APPOINTED OFFICERS:

As a person holding appointive state office, you are subject to the abstention and disclosure requirements stated above for Elected Officers. You also must disclose the nature of the conflict before voting or before making any attempt to influence the decision by oral or written communication, whether made by you or at your direction.

For purposes of this law, a "relative" includes only your father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with you as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:

- You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes.
- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION OR VOTE AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

DISCLOSURE OF STATE OFFICER'S INTEREST

I, William T. Self, hereby disclose that on Nov. 14th, 20 19:

(a) A measure came or will come before my agency which (check one or more)

- ☐ inured to my special private gain or loss;
☐ inured to the special gain or loss of my business associate, _____;
☐ inured to the special gain or loss of my relative, _____;
☐ inured to the special gain or loss of _____, by
 whom I am retained; or
☐ inured to the special gain or loss of _____, which
 is the parent, subsidiary, or sibling organization of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

I am the Associate Director of the
 Burnett School of Biomedical Science.
 This role oversees all undergraduate
 programs in the College of Medicine,
 and I have had a lead role in the
 development of these two new
 degree programs.

If disclosure of specific information would violate confidentiality or privilege pursuant to law or rules governing attorneys, a public officer, who is also an attorney, may comply with the disclosure requirements of this section by disclosing the nature of the interest in such a way as to provide the public with notice of the conflict.

Date Filed

Nov. 14th, 2019

Signature



NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED \$10,000.

**Minutes
Board of Trustees Special Teleconference Meeting
University of Central Florida
December 16, 2019**

Chair Beverly Seay called the special teleconference meeting of the Board of Trustees to order at 3 p.m.

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

WELCOME

Seay welcomed the board members and called on Karen Monteleone, Assistant Vice President, Board Relations, to call the roll. Monteleone determined that a quorum was present.

Chair Beverly Seay, Vice Chair Alex Martins, and Trustees Kenneth Bradley, Kyler Gray, Harold Mills, William Self, David Walsh and William Yeargin attended the meeting in the President's Board Room of Millican Hall.

The following board members attended the meeting via teleconference call: Trustees Joseph Conte, Danny Gaekwad, Robert Garvy, John Lord.

Trustee John Sprouls was not in attendance.

PUBLIC COMMENT

There were three requests for public comment. Osceola County Manager Don Fisher, Osceola County Commissioner Cheryl Grieb, and Osceola County Commissioner Fred Hawkins spoke in favor of the University of Central Florida providing the additional \$5 million to support short-term BRIDG operations.

NEW BUSINESS

BOT-1 Funding of ICAMR, Inc., d/b/a BRIDG

Chair Seay stated that BRIDG was one of the first Board-led task forces she formed, and during the past few months, both the board and the task force have heavily engaged in conversations about the project's operations and its future.

She noted it is the Board's fiduciary responsibility to act in the best interest of our students and our faculty. She said the materials reflect that the university has made a significant investment in BRIDG even as its mission has changed and that UCF must continue its critical role in our region's economic development, but our focus must be on our core

mission - our academic programs and the students we serve.

Seay thanked Trustee Walsh who has been the lead on this task force and echoed his prior comments about a belief in the potential of BRIDG and our desire to work with BRIDG and Osceola County to help find the best external investors who can achieve the county's job-creation goals and attract businesses more quickly.

Seay called on Walsh for his remarks.

Walsh provided an update on BRIDG and stated it would appear appropriate that UCF offer an additional \$5 million in funding to meet BRIDG's current financial needs with the following conditions:

1. Osceola County defers BRIDG's obligation to pay rent for the next 12 months on its office building (\$53,000/month). Osceola County agreed to this condition.
2. The BRIDG Board is restructured with the two current BRIDG officers resigning from the Board to be replaced with one appointee each from UCF and Osceola County. The restructured Board would consist of two UCF, two Osceola County, and two private industry appointees.
3. BRIDG management provides a detailed financial plan, acceptable to UCF, to reduce operating expenses and increase revenue sufficient to allow operations to continue as necessary to fulfill existing contracts for the next 12 months until a cash partner/investor can be found.
4. BRIDG pursues direct state funding of \$10 million.
5. UCF or UCF/Osceola retains an outside firm to locate a cash partner/investor within the next 12 months.

Seay called on Fran Korosec, Vice President of Program Management for his remarks.

Korosec presented an update on BRIDG and confirmed BRIDG and Osceola County would meet the conditions presented by UCF to receive the additional \$5 million in funding.

The trustees had a robust conversation on the forecasting, financial plan and assets of BRIDG. Several concerns were brought to Korosec regarding their financials.

Interim President Thad Seymour stated we must do what is in the best interest of our students and our faculty. He said he does not support the additional \$5 million request, especially since it would mean taking dollars away from academic programs. However, he did note that BRIDG has the potential to be successful in the long term with the right partners and investors who best match its business plan and goals and he is committed to helping them find that.

Martins made a motion to defer the Board's decision to fund an additional \$5 million to BRIDG for 30 days; to direct the General Counsel, the President, and Trustee Walsh to negotiate the provisions that Trustee Walsh has made in his recommendations, including if we were to make a decision on an additional investment, capping it at \$5 million for perpetuity; to negotiate with Osceola County if there is a sale of BRIDG, to recoup the value of the building for UCF and recoup all the additional investments that have been made outside of the original agreement - i.e. the previous additional funding of \$5 million, and \$3.5 million - and what would be an additional \$5 million. The motion is deferring the decision for 30 days while these negotiations take place.

Bradley provided the second and the motion passed with oppositions from Trustees Garvy and Lord. Walsh recused himself from the vote.

The board will meet again within 30 days to decide on the funding request from BRIDG.

ADJOURNMENT

Seay adjourned the board meeting at 5:32 p.m.

Reviewed by: _____ Date: _____
Beverly Seay, Chair UCF Board of Trustees

Respectfully submitted: _____ Date: _____
Janet Owen, Associate Corporate Secretary

FORM 8A MEMORANDUM OF VOTING CONFLICT FOR STATE OFFICERS			
LAST NAME - FIRST NAME - MIDDLE NAME <u>Walsh, David Michael</u>		NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE <u>UCF Board of Trustees</u>	
MAILING ADDRESS <u>370 Twilite Oaks Dr.</u>		NAME OF STATE AGENCY <u>UCF</u>	
CITY <u>Winter Springs, FL</u>	COUNTY <u>32708</u>	MY POSITION IS <input type="checkbox"/> ELECTIVE <input checked="" type="checkbox"/> APPOINTEE	
DATE ON WHICH VOTE OCCURRED <u>12/16/19</u>			
WHO MUST FILE FORM 8A			
This form is for use by any person serving at the State level of government on an appointed or elected board, council, commission, authority, committee, or as a member of the Legislature. It applies to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.			
Your responsibilities under the law when faced with voting on a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing and filing the form.			
INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES			
ELECTED OFFICERS:			
As a person holding elective state office, you may not vote on a matter that you know would inure to your special private gain or loss. However, you may vote on other matters, including measures that would inure to the special private gain or loss of a principal by whom you are retained (including the parent or subsidiary or sibling organization of a principal by which you are retained), to the special private gain or loss of a relative, or to the special private gain or loss of a business associate. If you vote on such a measure or if you abstain from voting on a measure that would affect you, you must make every reasonable effort to disclose the nature of your interest as a public record in a memorandum filed with the person responsible for recording the minutes of the meeting, who shall incorporate the memorandum in the minutes. If it is not possible for you to file a memorandum before the vote, the memorandum must be filed with the person responsible for recording the minutes of the meeting no later than 15 days after the vote.			
For purposes of this law, a "relative" includes only your father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with you as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).			
A member of the Legislature may satisfy the disclosure requirements of this section by filing a disclosure form created pursuant to the rules of the member's respective house if the member discloses the information required by this subsection, or by use of Form 8A.			
APPOINTED OFFICERS:			
As a person holding appointive state office, you are subject to the abstention and disclosure requirements stated above for Elected Officers. You also must disclose the nature of the conflict before voting or before making any attempt to influence the decision by oral or written communication, whether made by you or at your direction.			
For purposes of this law, a "relative" includes only your father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with you as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).			
IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:			
<ul style="list-style-type: none"> You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency. The form must be read publicly at the next meeting after the form is filed. 			
IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION OR VOTE AT THE MEETING:			
<ul style="list-style-type: none"> You must disclose orally the nature of your conflict in the measure before participating. You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed. 			
CE Form 8A - Effective 10/2013 Adopted by reference in Rule 54-7.01(1)(a), F.A.C.		Page 1	

DISCLOSURE OF STATE OFFICER'S INTEREST

David M. Walsh hereby disclose that on 12/16/19, 20 19

(a) A measure came or will come before my agency which (check one or more):
☐ Inured to my special private gain or loss.
☐ Inured to the special gain or loss of my business associate.
☒ Inured to the special gain or loss of my relative.
☐ Inured to the special gain or loss of BRIDGE, a SOICCA Florida Corporation, on whose board I am a member.
☐ Inured to the special gain or loss of whom I am retained, or
☐ Inured to the special gain or loss of is the parent, subsidiary, or sibling organization of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

The measure before the UCF Board of Trustees involved the request by BRIDGE for a \$5.0M Financial Subsidy to its ongoing operations.

As a board member of BRIDGE and advised as such of the special fiduciary responsibility a board member of that SOICCA not for profit has to BRIDGE, I was unable to vote on the matter at hand. I was appointed to the BRIDGE board by UCF, on whose board I also am a member.

If disclosure of specific information would violate confidentiality or privilege pursuant to law or rules governing attorneys, a public officer, who is also an attorney, may comply with the disclosure requirements of this section by disclosing the nature of the interest in such a way as to provide the public with notice of the conflict.

12/17/19 David M. Walsh
 Date Filed Signature

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED \$10,000.

CE Form 6A, Effective 10/2013
 Adopted by reference to Rule 34-7.01(2)(b), F.A.C.

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**Minutes
Board of Trustees Meeting
University of Central Florida
January 17, 2020**

Chair Beverly Seay called the teleconference meeting of the Board of Trustees to order at 9 a.m. Seay reminded the board that the meeting was covered by the Florida Sunshine Law and that the public and press were invited to attend.

WELCOME

Seay welcomed the board members and called on Karen Monteleone, Assistant Vice President, Board Relations, to call the roll. Monteleone determined that a quorum was present.

Chair Beverly Seay, Trustees Kenneth Bradley, Joseph Conte, Kyler Gray, William Self, and David Walsh attended the meeting in the President's Board Room of Millican Hall.

The following board members attended the meeting via teleconference call: Vice Chair Alex Martins and Trustees Danny Gaekwad, Caryl McAlpin, Michael Okaty and William Yeargin.

Trustees Harold Mills and John Sprouls were not in attendance.

PUBLIC COMMENT

There were no requests for public comment.

NEW BUSINESS

INFO – 1 Presidential Search Update

Seay noted that the final round of presidential search listening sessions and open forums concluded on Wednesday. She said that beginning in November, a total of 18 listening sessions were held with students, faculty, staff and alumni as well as with the Board of Trustees and the leaders of Orlando businesses and nonprofit, arts and cultural organizations. Seay said the committee was intentional in scheduling listening sessions and open forums at various locations, including the UCF main campus, UCF College of Medicine, UCF Downtown and the UCF Rosen College of Hospitality Management. She noted that also since November, an online survey was made available in English and Spanish to the campus community and public via the Presidential Search website. Seay said the online survey will remain open through February 6.

Seay called on Alberto Pimentel, Managing Partner of Pimentel and Associates, to provide a Presidential Search update.

Pimentel said that during the listening sessions, a series of themes emerged that will be important in recruiting, screening and vetting candidates. These included:

- A bold vision for the future. A vision that would include the size of the university, the balance of research and open access and the programs offered to attract the student body the university wishes to have.
- Integrity and the ability to earn the trust and respect of internal and external constituents. Evidence of demonstrated integrity in work at previous institutions.

- Commitment to diversity in all forms. Taking advantage and leveraging one of the university's greatest strengths – its diverse student body – and the need to already have experience working with diverse populations.
- Inspirational, bringing people together to build the university to its next stage of development, while expressing to individuals that their contributions are valued and respected and to tie their work to the university's vision.
- Commitment to first-generation students.
- A track record of making difficult decisions, with a demonstrated skill for communication and transparency. These skills are tied together since the next ten years of the university need to be carefully orchestrated with strategic decision making.
- Valuing faculty and staff, with an investment in developing them professionally.
- Ability to build a team and delegate effectively.
- Visible, approachable and fully engaged in the life of the university. This role should not be used as a stepping stone to another position.
- Well-developed external relationship skills, specifically the ability to build new partnerships and enhance existing partnerships, to engage in high-level fundraising activities as well as the ability to work with the governor and legislature.
- Understanding of athletics, with an appreciation for their pivotal role, and a commitment to the program to help drive its visibility.

Pimentel said that all of the skillsets he outlined are only valuable if they come back to benefit the student:

- Focus on the students
- Enhance the student experience
- Supply a high-quality instruction
- Student centric approach is pivotal
- Understand analytics and enrollment management, specifically what is the right balance of student population at all levels.

Trustee discussion included:

- How does UCF's presidential search vary in relation to other searches with these expectations and requirements (Bradley)
 - Pimentel identified three skillsets in answer to this question:
 - Finding someone that has a demonstrated commitment to diversity since very few universities have the diversity that UCF has.
 - The need for external relations since UCF already has more partnerships compared to other universities.
 - Faculty and staff are fatigued, and morale is low.
- How many candidates does the firm have so far and how many are expected (Gaekwad)
 - Pimentel said there is interest in the role but officially there are no candidates

at this time. Overall, they expect 40 to 50 individuals will apply, with 8 to 12 that will have the qualities the university is looking for.

- Conte requested that a knowledge and understanding of pre-eminence be considered in the recruitment conversation and interview process.
- Seay suggested that the emphasis needs to be on interdisciplinary activities, which we are moving towards, as today's problems require interdisciplinary solutions, not silos, and we need someone who knows how to bring teams together. Conte concurred noting that the university is well known for medicine and engineering.
- Seay said that the presidential compensation study has been initiated and will come before the Compensation and Labor Committee and then to the full board at the February 20, 2020 meeting.
- Seay asked Conte to lead the transition plan for the incoming president, asking that he review the existing transition plan and recommend any updates to the full board.

INFO – 2 Board Committee and Direct Support Organization Assignments (DSO)

Seay shared the 2020 board committee and DSO board appointments, noting that she has also assigned board members to oversee emerging issues. Seay said the purpose of the emerging issues assignments were for the assigned trustee to use their experience and expertise to advise executive leadership and share with the board their findings and recommendations on the respective emerging issue.

Seay said all trustees appointed to an emerging issue should be prepared to give a high-level update at all regularly scheduled board meetings, beginning with the February 20, 2020 meeting. She said that a deep-dive presentation on each emerging issue will also be scheduled, via the board office, and this presentation will provide an opportunity for the trustee to advise and make recommendations to the board.

FF – 1 Huron Consulting – UCF Rising Master Services Agreement Amendment #4

Martins delivered the background information for FF – 1 from the agenda memo to the trustees.

Trustee discussion followed:

- Who will oversee the Huron Consultants and does this include all areas and departments on campus (Conte)
 - Report to the IT project management office which flow up to Mike Sink, Associate Vice President and IT Chief Operating Officer and Joel Hartman, Vice President Chief Information Officer.
 - This project focuses on the research component and not all areas of campus.
- Walsh confirmed they were only voting on the amendment and that no additional prepayments will be made with this amendment. Walsh also requested that the Finance and Facilities Committee review the process of the contract size that comes to the board for approval while the board evaluates the Delegation of Authority to the President.

Martins made a motion to approve FF-1 and Gray seconded the motion. The motion passed by majority vote. Trustee Walsh opposed.

FF – 2 Amendment to Ground Sublease between UCF Academic Health and Central Florida Health Services (CFHS)

Martins delivered the background information for FF – 2 from the agenda memo to the trustees.

Martins also noted the following justification for expedited BOT approval from Jennifer Cerasa, Associate General Counsel: expedited approval of this proposed technical change in a UCF Academic Health (UCFAH) sublease is needed to enable the time sensitive development by Tavistock of a medical office building (MOB) for the UCF Lake Nona Medical Center. The MOB will be developed and owned by Tavistock on a portion of UCF-owned land that has previously been leased to Central Florida Health Services (CFHS) for use as the hospital site. To commence construction, Tavistock needs to enter a long-term ground lease of the land with CFHS. To allow Tavistock the 97-year ground lease it has requested, an upstream lease between UCF Academic Health and CFHS must be amended to exercise a term extension and clarify the timing for determining market rate rent. Tavistock cannot begin construction until this amendment is executed. Construction, which has already been delayed, needs to commence as soon as possible to open the medical office building as close to UCF Lake Nona Medical Center opening as possible.

This amendment was unanimously approved by the Finance and Facilities Committee on December 11, 2019 and previously by the UCFAH Board on November 18, 2019 and has no financial impact on any UCF entity.

Cerasa clarified the motion and Martins restated the motion as following:

Motion to amend the ground sublease between UCF Academic Health and Central Florida Health Services to extend the term to the 97-year lease term but to commence the process for determining the renewal term rent 24 months prior to the end of the initial term as well as any subsequent subleases outlined.

Bradley had a few clarifying questions on the prepayment and who would be obligated to lease the building.

Martins made a motion to approve FF – 2 and Conte seconded the motion. The motion passed with a recusal from Bradley.

OTHER BUSINESS

Seay reminded the board that at their last meeting, the board decided to defer the request for an additional \$5 million investment with BRIDG for 30-days. She said that BRIDG's CEO, Chester Kennedy, has since withdrawn the \$5 million request to UCF, indicating that BRIDG was working on a number of alternative funding options. Seay thanked Trustee Walsh for his continued expertise and support in helping BRIDG navigate its future and invited him to address the board. Walsh said great progress has been made in external companies interested in BRIDG and that lobbying continues for the \$10 million non-recurring funding request with the state. Interim President Seymour said UCF will continue to help BRIDG in this transition period.

Seymour welcomed the new Interim Chief Financial Officer, Joseph Trubacz and thanked Jana Jasinski for stepping in as Acting Provost. He stated that *U.S. News and World Report*

recognized UCF Online as one of the top 20 programs in the country.

ADJOURNMENT

Seay adjourned the board meeting at 10:11 a.m.

Reviewed by: _____ Date: _____
Beverly Seay, Chair UCF Board of Trustees

Respectfully submitted: _____ Date: _____
Janet Owen, Associate Corporate Secretary

FORM 8A MEMORANDUM OF VOTING CONFLICT FOR STATE OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME BRADLEY Kenneth Wayne		NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE VCF Board of Trustees	
MAILING ADDRESS 1612 Elizabeth's Walk		NAME OF STATE AGENCY VCF	
CITY Winter Park, FL	COUNTY Orange	MY POSITION IS: <input type="checkbox"/> ELECTIVE <input checked="" type="checkbox"/> APPOINTIVE	
DATE ON WHICH VOTE OCCURRED January 17, 2020			

WHO MUST FILE FORM 8A

This form is for use by any person serving at the State level of government on an appointed or elected board, council, commission, authority, committee, or as a member of the Legislature. It applies to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

Your responsibilities under the law when faced with voting on a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing and filing the form.

INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

ELECTED OFFICERS:

As a person holding elective state office, you may not vote on a matter that you know would inure to your special private gain or loss. However, you may vote on other matters, including measures that would inure to the special private gain or loss of a principal by whom you are retained (including the parent or subsidiary or sibling organization of a principal by which you are retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. If you vote on such a measure or if you abstain from voting on a measure that would affect you, you must make every reasonable effort to disclose the nature of your interest as a public record in a memorandum filed with the person responsible for recording the minutes of the meeting, who shall incorporate the memorandum in the minutes. If it is not possible for you to file a memorandum before the vote, the memorandum must be filed with the person responsible for recording the minutes of the meeting no later than 15 days after the vote.

For purposes of this law, a "relative" includes only your father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with you as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

A member of the Legislature may satisfy the disclosure requirements of this section by filing a disclosure form created pursuant to the rules of the member's respective house if the member discloses the information required by this subsection, or by use of Form 8A.

* * * * *

APPOINTED OFFICERS:

As a person holding appointive state office, you are subject to the abstention and disclosure requirements stated above for Elected Officers. You also must disclose the nature of the conflict before voting or before making any attempt to influence the decision by oral or written communication, whether made by you or at your direction.

For purposes of this law, a "relative" includes only your father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with you as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:

- You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes.
- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION OR VOTE AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

DISCLOSURE OF STATE OFFICER'S INTEREST

I, Kenneth W. Bradley, hereby disclose that on January 17,, 20 20 :

(a) A measure came or will come before my agency which (check one or more)

- ☐ inured to my special private gain or loss;
☐ inured to the special gain or loss of my business associate, _____;
☐ inured to the special gain or loss of my relative, _____;
☐ inured to the special gain or loss of _____, by
 whom I am retained; or
☒ inured to the special gain or loss of Advent Health, which
 is the parent, subsidiary, or sibling organization of a principal which has ~~retained me~~ employed me (✓)

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

As an employee of Advent Health and a competitor to Central Florida Health Services, out of an abundance of caution, I have recused myself from voting on Item # 2, a sub-lease.

Kenneth W. Bradley

1/17/2020

If disclosure of specific information would violate confidentiality or privilege pursuant to law or rules governing attorneys, a public officer, who is also an attorney, may comply with the disclosure requirements of this section by disclosing the nature of the interest in such a way as to provide the public with notice of the conflict.

January 17, 2020
Date Filed

Kenneth W. Bradley
Signature

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED \$10,000.

**Minutes
Board of Trustees Retreat
University of Central Florida
May 17, 2019**

Chairman Robert Garvy called the retreat of the Board of Trustees to order at 8:30 a.m. in the Morgridge International Reading Center (MIRC).

Interim President, Thaddeus Seymour Jr. welcomed the board and speakers to the retreat. Garvy thanked the board members for attending the retreat. He gave an overview on the purpose of the retreat and discussed the schedule for the day.

Laura Stylianou, Senior Manager for Board Relations, called the roll and determined a quorum was present.

The following board members attended the meeting: Chairman Robert Garvy, Trustees Kenneth Bradley, Danny Gaekwad, Kyler Gray, Alex Martins, Beverly Seay, John Sprouls, David Walsh and William Yeargin.

The board discussed the following items during the retreat.

- Association of Governing Boards (AGB) Report presented by Rick Legon and Terrence MacTaggart.
 - Martins made a motion to receive the AGB report and to accept the 10 recommendations in the report for further discussion by the board in the coming months through its Nominating and Governance (N&G) Committee. The motion passed unanimously.
 - Seymour committed to working with staff on implementing the recommendations in the AGB report and give an update to the N&G Committee on that progress.
- Board of Governors (BOG) Financial Training presented by Chris Kinsley and Dale Bradley.
- University Financial Training presented by Dennis Crudele and the office of Administration and Finance.

ADJOURNMENT

Garvy adjourned the board meeting at 3:53 p.m.

Reviewed by: _____ Date: _____
Beverly Seay, Chair UCF Board of Trustees

Respectfully submitted: _____ Date: _____
Janet Owen, Associate Corporate Secretary

**Minutes
Board of Trustees Listening Session
University of Central Florida
November 20, 2019**

Chair Beverly Seay called the listening session of the Board of Trustees to order at 11:42 a.m. in the President's Boardroom.

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

Karen Monteleone, Assistant Vice President for Board Relations, called the roll and determined there was not a quorum but there were no action items that needed to be voted on. The listening session was for information only.

The following board members attended the meeting: Chair Beverly Seay, Vice Chair Alex Martins, Trustees Kenneth Bradley, Joseph Conte, William Self, and David Walsh.

Trustee William Self arrived later in the meeting.

Seay recognized new trustees Caryl McAlpin and Michael Okaty, who were also present.

Seay recognized the members of the Presidential Search Committee who were in attendance: Mr. David Odahowski, President and CEO of the Edyth Bush Charitable Foundation, Dr. Barbara Jenkins, Superintendent, Orange County Public Schools, and Dr. Stella Sung, Pegasus Professor, College of Arts and Humanities.

Seay welcomed Mr. Alberto Pimentel from Storbeck/Pimentel and Associates. Pimentel asked the trustees questions about the challenges and opportunities facing UCF and the unique characteristics of the university.

The trustees provided their input on the characteristics they are looking for in UCF's next president and indicated items that make UCF unique from other universities.

ADJOURNMENT

Seay adjourned the listening session at 12:47 p.m.

Reviewed by: _____ Date: _____
Beverly Seay, Chair UCF Board of Trustees

Respectfully submitted: _____ Date: _____
Janet Owen, Associate Corporate Secretary

Minutes
Board of Trustees Budget Workshop
University of Central Florida
November 20, 2019

Chair Beverly Seay called the budget workshop of the Board of Trustees to order at 1:04 p.m. in the President's Boardroom.

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

Karen Monteleone, Assistant Vice President for Board Relations, called the roll and determined a quorum was present.

The following board members attended the meeting: Chair Beverly Seay, Vice Chair Alex Martins, Trustees Kenneth Bradley, Joseph Conte, William Self, David Walsh and William Yeargin.

Trustees Danny Gaekwad, Kyler Gray and Harold Mills arrived later in the meeting.

Seay indicated the purpose of the workshop was to ensure the board understands UCF's current budget model, the plan for the budget model redesign initiative, and how financial decisions the board is asked to make affects the overall financial impact to the university.

Dennis Crudele, Interim Chief Financial Officer, gave an overview of the retreat and presented on UCF's current budget model.

The trustees had the following comments:

- Conte asked that trustees be made aware of steering committee meetings about budget redesign.
- Self requested carry forward budget to include context on what was also spent in the operating budget in relation to the item.

Crudele and Huron consultants Greg Bedell and Jaime Ontiveros presented on the budget redesign initiative and revised allocation process.

The trustees had the following comments:

- Gaekwad asked that the trustees be involved in the budget redesign process with Huron.

Seay agreed that updates should be given to the full board beginning at the February 2020 meeting and through launch of the new budget model.

- Kristie Harris, Associate Vice President and Kathy Mitchell, Associate Vice President, presented on internal loans.

The trustees had the following comments:

- Seay requested information on how many of the auxiliary accounts produce unrestricted funds.
- Martins said going forward, all internal loans should come before the full Board of Trustees.

Walsh provided an update on BRIDG.

ADJOURNMENT

Seay adjourned the board meeting at 5:09 p.m.

Reviewed by: _____ Date: _____
Beverly Seay, Chair UCF Board of Trustees

Respectfully submitted: _____ Date: _____
Janet Owen, Associate Corporate Secretary

ITEM: **BOT - 1**

UCF BOARD OF TRUSTEES
February 20, 2020

Title: Presidential Candidate Evaluation Criteria

Background:

As outlined in Board of Governors Regulation 1.002, Presidential Search and Selection, the search committee is responsible for developing recommended position criteria that are consistent with the institution's mission, strategic plan and aspirational goals, which shall be approved by the board of trustees; additionally, the criteria will be used to determine the applicants to be interviewed by the search committee. The position criteria also will be used by the Board of Trustees when selecting a final qualified candidate as president-elect for recommendation to the Board of Governors for confirmation.

At its July 18, 2019 meeting, the Board of Trustees adopted a Leadership Statement that has guided the committee's charge and overall marketing efforts for the presidential search.

At its February 12, 2020 meeting, the search committee reviewed and provided feedback on an expanded list of criteria that was developed under the broader characteristics included in board's Leadership Statement. Per BOG Regulation 1.002 as outlined above, these criteria will be used by both the committee and the board for candidate evaluation and selection.

Issues to be Considered:

If the proposed evaluation criteria align with broader characteristics included in the Leadership Statement.

Alternatives to Decision:

Propose alternative criteria for the evaluation and selection of presidential candidates.

Fiscal Impact and Source of Funding:

N/A

Recommended Action:

Consider approval of the proposed presidential candidate evaluation criteria.

Authority for Board of Trustees Action:

Board of Governors Regulation 1.002

Contract Reviewed/Approved by General Counsel:

N/A

Committee Chair or Chair of the Board approval:

Chair Seay has approved adding this item to the agenda.

Submitted by: Karen Monteleone, Assistant Vice President, Board Relations

Supporting Documentation: Attachment A: Presidential Candidate Evaluation Criteria

Facilitators/Presenters: Chair Seay

Attachment A



UNIVERSITY OF CENTRAL FLORIDA

Presidential Candidate Evaluation Criteria

The next UCF president will be passionate about the university's mission and students it serves and will create a bold and compelling vision for the future that will excite the campus community, motivate donors, secure the support of the Legislature, and inspire faculty and staff. The successful candidate will be a tireless advocate for the university and possess exceptional interpersonal skills including the ability to communicate effectively to a wide variety of constituents. In addition, the successful candidate will exhibit the following:

Behavioral Traits

- A high level of integrity
 - Possess a track record showing a high degree of personal and professional integrity, ethics and honesty; the intellectual, analytical and interpersonal qualities that will foster respect among the university's myriad constituencies.
- Commitment to inclusion and diversity
 - Demonstrate a strong commitment to diversity, equity and inclusive excellence. A track record of creating a culture where the entire campus community collectively understands and embraces their roles in contributing to the success of diverse student, faculty and staff populations.
- A commitment to student success in all areas of the collegiate experience
 - Knowledge of student performance metrics coupled with experience implementing strategies for enhancing student achievement across all academic levels; a commitment to employing innovative and forward-thinking initiatives and programs for improving academic engagement, promoting a student-centric environment and creating a supportive environment for first-generation college students.
- A willingness to make strategic choices, timely decisions, and responsive actions
 - Possess a collaborative and transparent leadership style and a track record of making decisions in an effective and timely manner.
- Desire and ability to include access and inclusion
 - A demonstrated commitment to ensuring the accessibility of the university to the local community, the region and the citizens of the state of Florida.
- Appreciation for the significant role of intercollegiate athletics in the life of the university
 - Have an appreciation for and ability to leverage the university's athletics program to strengthen UCF's identity as a national competitor and community partner.

Personality Traits

- A sense of commitment to undergraduate education, as well as a dedication to and understanding of graduate and professional education and research
 - Possess a strong commitment to academic excellence in undergraduate, graduate and professional education, research and scholarship, and the ability to inspire confidence and encourage achievement among students and faculty.
- A respect and concern for students
 - Possess a genuine passion for student success; a knowledge, understanding and appreciation for the diversity of students served by UCF, including the nontraditional student; demonstrated interpersonal skills and a history of interacting with students coupled with the ability to enhance the student experience inside and outside of the classroom.
- An understanding and respect for the roles and responsibilities of the faculty
 - Demonstrated understanding and evidence of respect for the roles and responsibilities of faculty in a multi-faceted university. An appreciation for the principles of shared governance, the faculty's contributions toward teaching, research and student success, and a record of success working in partnership with faculty.
- Tolerant of risk and encourages creativity and innovation
 - Have a proven record of strategic risk taking; the ability to foster an environment that embraces a shared culture of innovation and entrepreneurship.
- Courageous decision maker, who embraces the responsibility to make tough calls
 - Possess the courage and fortitude to make difficult decisions and a history of leading an organization through transition and times of change.
- Resilient, able to learn from failures and move constantly forward
 - Have a history of progressive management experience in complex organizations that demonstrates the candidate's intellectual curiosity, compassion and resilience. The ability to showcase and leverage the university's existing strengths and identify new opportunities for success.

Organization and Context

- Anticipatory thinker
 - Possess knowledge and awareness of current and future trends impacting higher education and experience leading and managing an organization in navigating a shifting landscape.
- A strong personal and professional academic background
 - Possess a distinguished record of executive-level accomplishments, preferably in higher education, and an understanding of and a strong commitment to excellence in teaching, scholarship and research.

- A demonstrated record of building, nurturing, and working with a high-caliber leadership team
 - Have a track record of building and nurturing strong and effective leadership teams; the ability to lead a high-performing team committed to the further growth of a complex organization over a sustained period. Demonstrate a collaborative and inclusive leadership style and the ability to serve as an effective delegator and developer of talent; a demonstrated interest in investing in the professional development of faculty and staff at all levels.
- A demonstrated record of partnership and spirit of entrepreneurship
 - A history of success developing relationships and strategic partnerships with a wide range of entities including community organizations, local industry leaders, state government officials, key university stakeholders and other educational institutions (K-12, community colleges, universities and colleges).
- The ability to acquire resources from a variety of sources, including fundraising
 - Possess the ability to thoughtfully manage and grow resources in times of financial constraint; experience in identifying and developing new revenue streams from public, private and governmental sources through a variety of strategies. Demonstrated experience developing relationships with alumni, foundations, corporations and individual donors. A history of success in securing major and planned gifts for the purpose of financially supporting the university in its endeavors.
- The ability to work with a variety of governmental agencies
 - Have a track record of building and fostering close relationships with local government officials, corporations, nonprofits, foundations and cultural organizations.
- A keen understanding of the unique mission and the ability to lead a multisite metropolitan research university
 - Possess experience leading a large, complex organization and the ability to understand the university's unique history, assets and mission; the ability to translate these into effective strategies and measurable outcomes on behalf of the university.
- Effective facilitator in cultures where governance is shared and buy-in is critical
 - Possess a leadership style that emphasizes transparency and encourages openness in dealings with others and acceptance of diverging perspectives; exhibits a consultative decision-making style to foster collaboration and inclusion amongst all constituents and stakeholders that emphasizes openness, fairness and strategic decision-making.

ITEM: INFO - 1

**UCF BOARD OF TRUSTEES
February 20, 2020**

Title: Presidential Transition Update

Background:

During the January 17, 2020 Board of Trustees Teleconference meeting, Chair Seay asked Trustee Joseph Conte to lead the transition plan for the incoming president, asking that he review the existing transition plan and recommend any updates to the full board.

Trustee Conte will provide a brief update on the presidential transition plan and share his recommendations.

Issues to be Considered:

N/A

Alternatives to Decision:

N/A

Fiscal Impact and Source of Funding:

N/A

Recommended Action:

N/A

Authority for Board of Trustees Action:

N/A

Contract Reviewed/Approved by General Counsel:

N/A

Committee Chair or Chair of the Board approval:

Chair Seay has approved adding this item to the agenda.

Submitted by: Karen Monteleone, Assistant Vice President, Board Relations

Supporting Documentation: N/A

Facilitators/Presenters: Trustee Conte

ITEM: INFO-2

UCF BOARD OF TRUSTEES

Title: Enrollment Strategy Task Force Update and Discussion

Background:

The Enrollment Strategy Task Force was established by Interim President Seymour and Provost Dooley to evaluate options, conduct analysis and develop a model that includes enrollment levels and mix, support student and faculty success, meet regional needs, and align with strategic state goals.

Through the work of the task force, data have been collected to support this effort and analyses. This update will outline the process and share findings uncovered by the task force over the past nine months. In addition, the update will share next steps as the team works to develop a strategic enrollment plan supported by more integrated systems and planning.

Issues to be Considered:

Findings presented are informational only.

Alternatives to Decision:

N/A

Fiscal Impact and Source of Funding:

N/A

Recommended Action:

N/A

Authority for Board of Trustees Action:

N/A

Contract Reviewed/Approved by General Counsel:

N/A

Committee Chair or Chair of the Board approval:

Chair Seay approved adding this item to the agenda.

Submitted by:

Thad Seymour, Jr., Interim President

Supporting Documentation:

Attachment A: Enrollment Strategy Task Force Update

Facilitators/Presenters:

Trustee William Self

Thad Seymour, Jr., Interim President

Maribeth Ehasz, Vice President, Student Development and Enrollment Services

Sheila Piñeres, Dean of the Burnett Honors College

Kristie Harris, Associate Vice President for Financial Affairs

Attachment A

Enrollment Strategy Task Force Update

February 20, 2020



Task Force Membership

Task Force Co-Chairs

- Maribeth Ehasz,
Vice President, SDES
- Sheila Amin Gutiérrez de
Piñeres,
Dean, Burnett Honors
College

Project Manager

- Tom Hope,
Deputy Chief of Staff,
Office of the President

Members

- Patrick Burt, Associate Vice President, Communications and Marketing
- Thomas Cavanagh, Vice Provost for Digital Learning
- Gordon Chavis, Associate Vice President, SDES Enrollment Services
- Josh Colwell, Pegasus Professor and Associate Chair, Physics
- Bob Garvy, Chair, UCF Board of Trustees
- Bari Hoffman Ruddy, Interim Associate Dean of Clinical Affairs and Professor, Communications Sciences and Disorders
- Devon Jensen, Associate Dean, College of Graduate Studies
- Michael Johnson, Dean, College of Sciences
- Jeff Jones, Vice Provost, UCF Connect and UCF Global
- Madeline Mills, SGA Vice President
- DeLaine Priest, Associate Vice President, SDES Student Success
- Ed Ross, Chair, Internal Medicine, College of Medicine
- Blake Scott, Professor, Writing and Rhetoric
- Lisa Sklar, Institutional Research Analyst II, Institutional Knowledge Management
- Linda Sullivan, Assistant Vice President, Institutional Knowledge Management
- Technical Assistance: Andre Watts, Associate Director, IKM

Work Group Members

Major Ready

- Pam Cavanaugh (Lead), Associate Vice Provost, UCF Connect
- Manoj Chopra, Professor/Associate Dean, CECS
- Joshua Colwell, Pegasus Professor/Associate Chair, Physics
- Kristie Harris, Associate Vice President for Financial Affairs, Finance & Accounting
- Teresa Dorman, Associate Dean for Academic and Student Affairs, Sciences
- Harrison Oonge, Assistant Dean for Academic Planning, Undergraduate Studies
- DeLaine Priest, Associate Vice President for Student Success, SDES
- John Sacher, Associate Professor/Interim Assistant Dean, Undergraduate Studies
- Lisa Sklar, Institutional Research Analyst, IKM
- Linda Sullivan, Assistant Vice President, IKM

International

- LEAD: Jeff Jones, Vice Provost, UCF Connect and UCF Global
- Nataly Chandia, Assistant Vice President, UCF Global
- Bahaa E. A. Saleh, Dean, Optics & Photonics
- Chris Dahlstrand, Associate Director, Undergraduate Admissions
- Lisa Sklar, Institutional Research Analyst II, IKM

UCF Online

- LEAD: Thomas Cavanagh, Vice Provost for Digital Learning
- Patrick Burt, Associate Vice President, Communications and Marketing
- Michael Johnson, Dean, Sciences
- Gordon Chavis, Associate Vice President, SDES Enrollment Services
- Blake Scott, Professor, Writing and Rhetoric
- Druanna Mozingo, Institutional Research Analyst I, IKM

Graduate

- LEAD: Devon Jensen, Associate Dean, Graduate Studies
- Ed Ross, Chair, Internal Medicine, Medicine
- Bari Hoffman Ruddy, Interim Associate Dean of Clinical Affairs and Professor, Communications Sciences and Disorders
- Ali Gordon, Associate Dean, CECS
- Pamela Sissi Carroll, Dean, Community Innovation and Education
- Lisa Sklar, Institutional Research Analyst II, IKM

Task Force Charge

April 11, 2019

The task force's responsibilities are to evaluate options, conduct analysis and develop a model that includes enrollment levels and mix, then present recommendations to the Interim President and Provost in early fall.

The strategy must also support student and faculty success, meet regional needs and align with strategic state goals.

Framing the questions

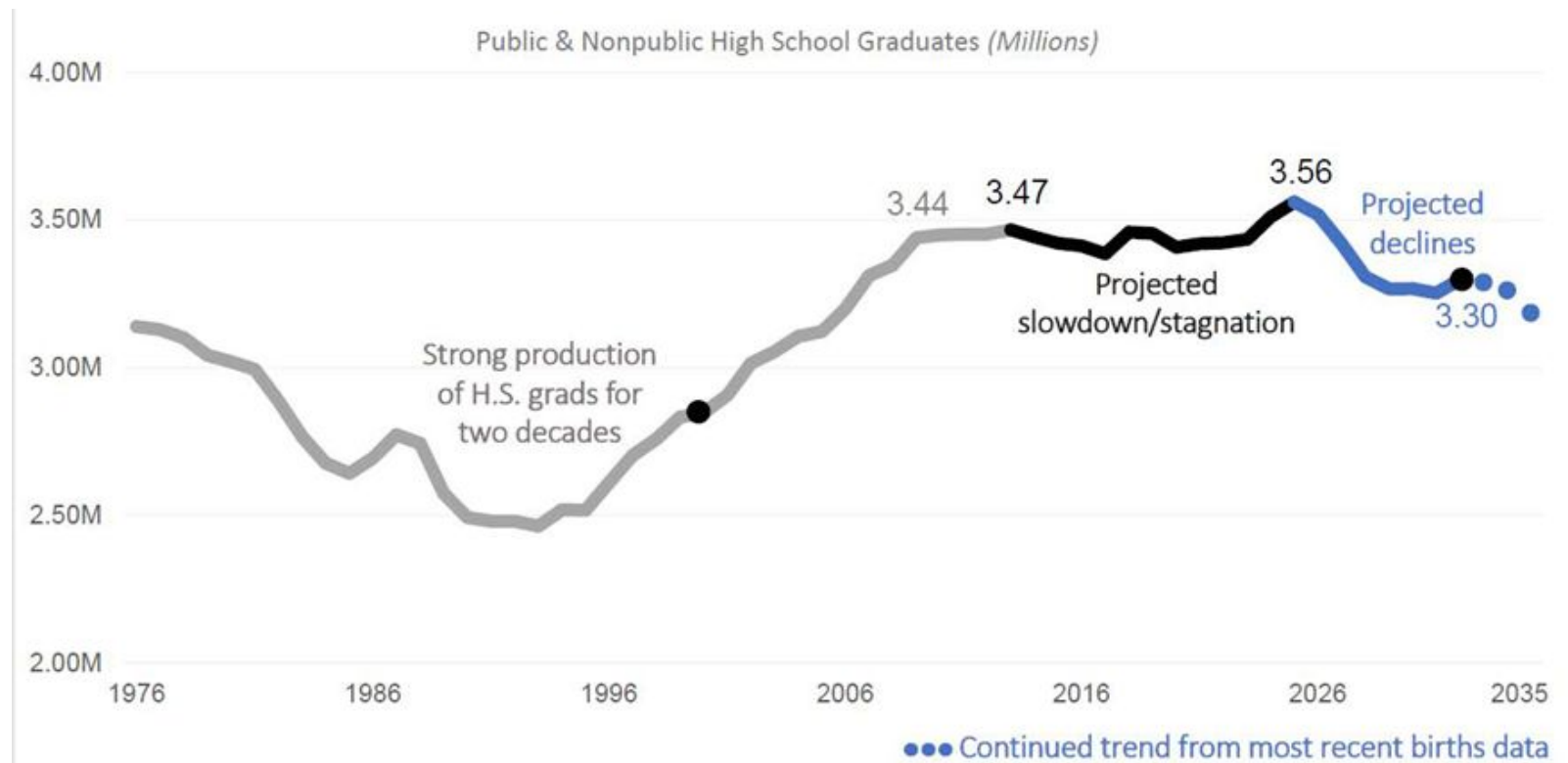
1. How to balance demand--moving enrollment from high growth to steady state equilibrium--and UCF's mission while still being financially stable?
2. How will changes in the mix of student type affect revenue and student success?

Process

Process

- Review market and labor demand

Slowdown & Decline of Traditional Age Students



Process

- Review market and labor demand
- Perform simulation scenarios and sensitivity analysis on student mix and impact on graduation

Process

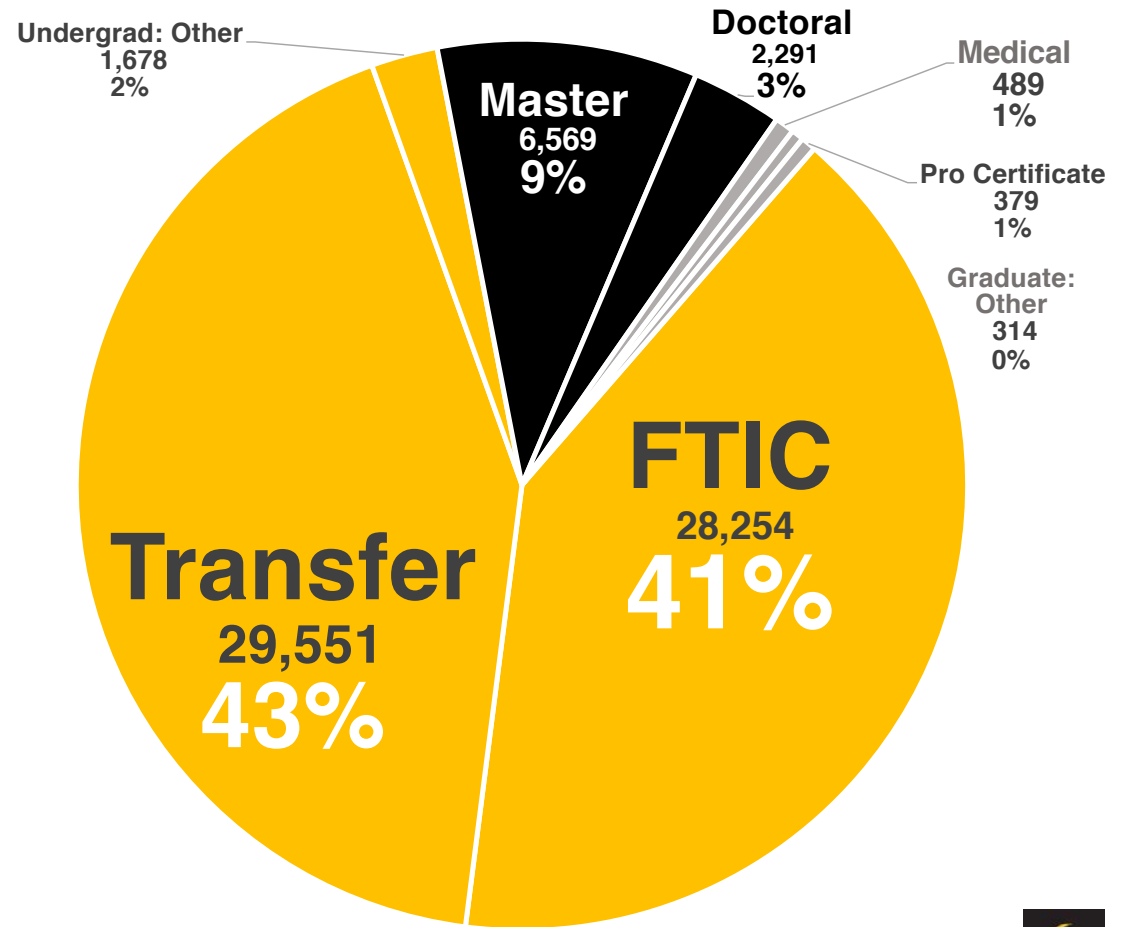
- Review market and labor demand
- Perform simulation scenarios and sensitivity analysis on student mix and impact on graduation
- Propose policy changes to improve major-readiness

Process

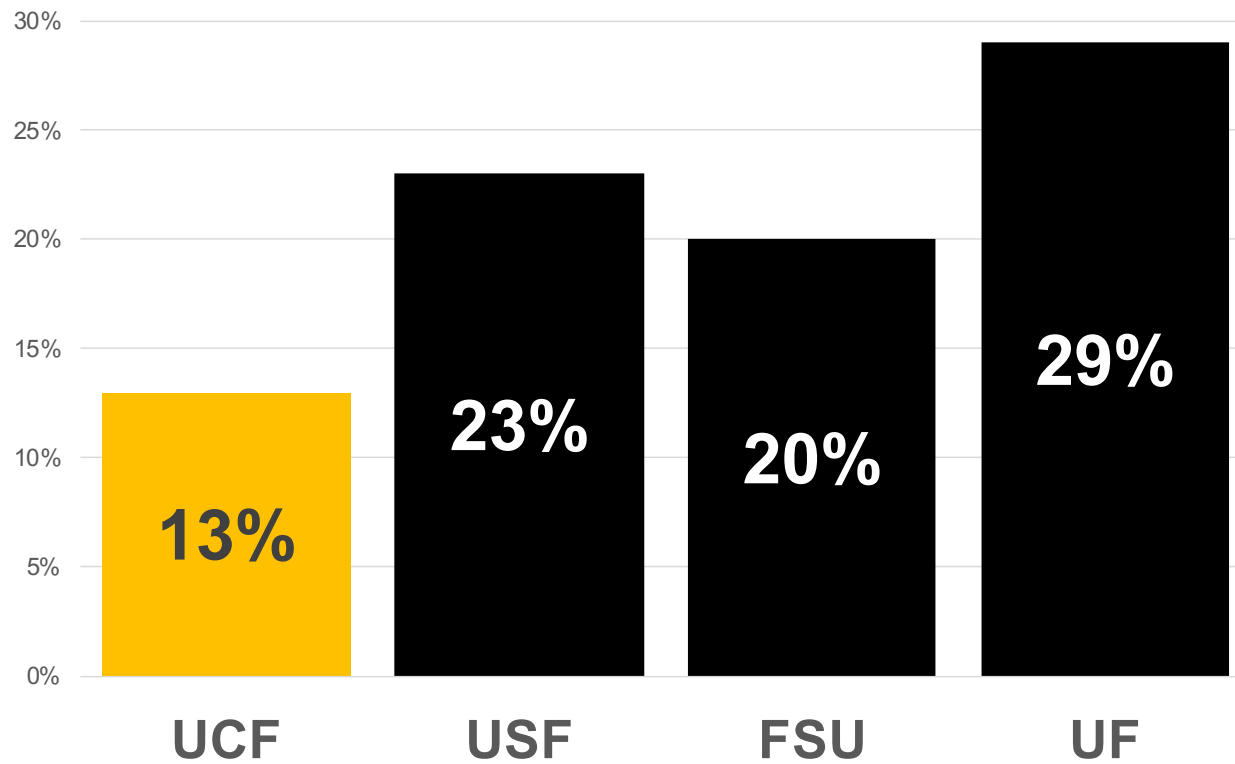
- Review market and labor demand
- Perform simulation scenarios and sensitivity analysis on student mix and impact on graduation
- Propose policy changes to improve major-readiness
- Expand analysis to other student types (international, UCF Online, graduate)

Fall 2019
69,525 students

86%
undergraduate
14%
graduate/medical



Graduate Share of All Students Among SUS

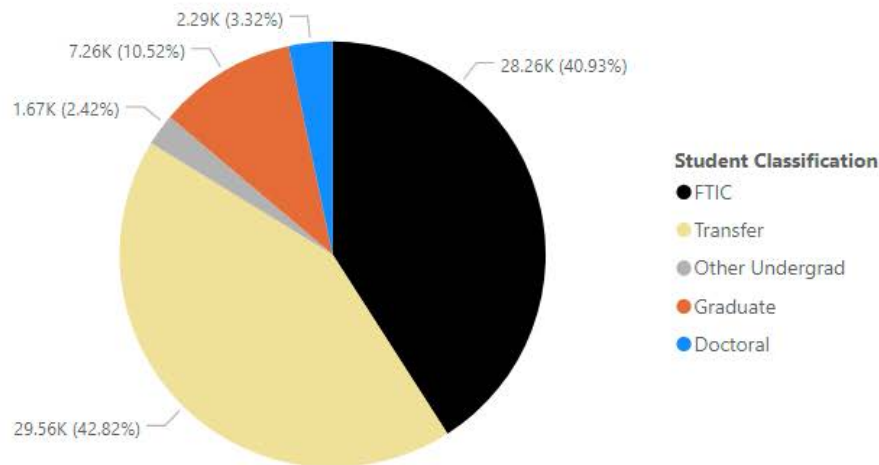


Process

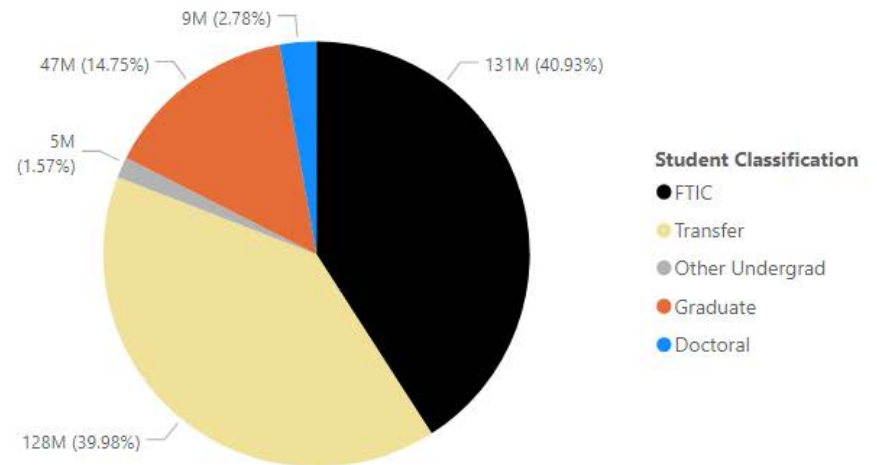
- Review market and labor demand
- Perform simulation scenarios and sensitivity analysis on student mix and impact on graduation
- Propose policy changes to improve major-readiness
- Expand analysis to other student types (international, UCF Online, graduate)
- **February 2020:** Model revenue impact

Breakdown by Student Classification

Headcount by Student Classification (Excludes Med School)



Revenue by Student Classification (excludes Med School)



*Data is for the 2019-2020 Academic Year



Findings

Findings

- An analysis of each group and their success metrics revealed **major readiness is vital.**
- **Adjusting transfer admission standards** can balance UCF's accessibility mission and student success metrics.

Actions

Actions taken for '19–'21

Adjusting transfer admission standards

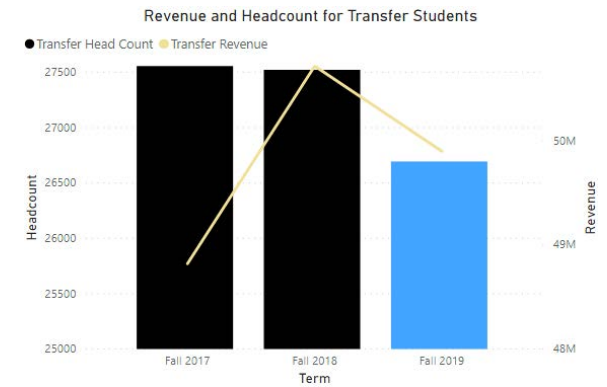
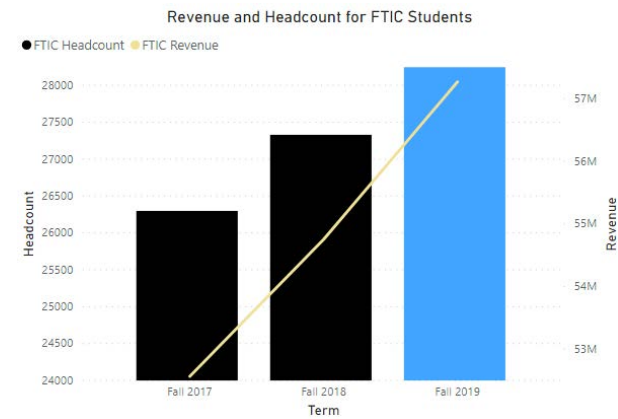
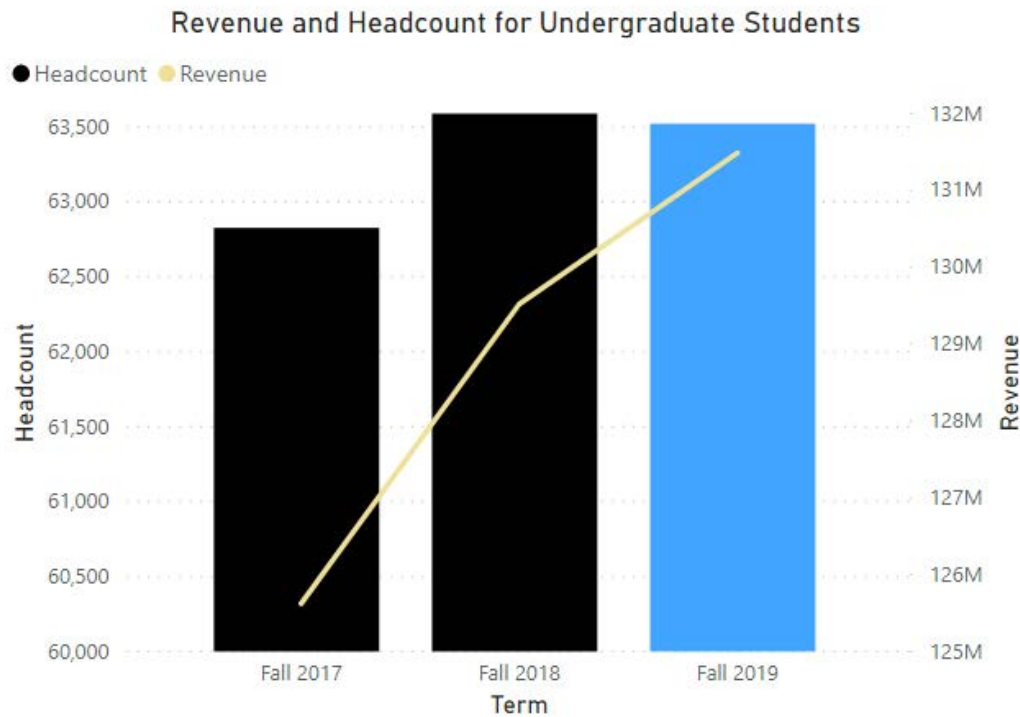
- Require 60 credit hours for transfer admission
- Adhere to transfer requirements and application deadlines
- Continue reductions in:
 - In-state non DirectConnect transfers
 - SUS transfers
 - Florida private school transfers
 - Non-resident transfers

Actions for '21–'22

Major readiness is vital

- Introduce attainment “guardrails” to keep students on track to graduation.
- Reduce major changes after year 2 to keep students on track.
- Decrease high DFW rates and excessive repeat courses.
- Continue investment in academic advising and coaching, Think 30 and Pegasus Path.

Historical Revenue Trends*



*Excludes UCF Online; Revenue includes Tuition, Differential and Out of State Fee Only



Modeling Revenue Impact

Incremental Year over Year Changes		2020-21	2021-22	2022-23	2023-24
Total Revenue net of Waivers	FTIC/Transfer Mix ¹	-	122,066	357,746	2,192,609
	UCF Online ²	4,843,625	5,477,148	6,029,051	6,635,654
	Total	4,843,625	5,599,214	6,386,797	8,828,263
SCH	FTIC/Transfer Mix ¹	-	1,996	3,230	13,592
	UCF Online ²	10,608	20,990	23,117	25,454
	Total	10,608	22,985	26,347	39,045
Headcount	FTIC/Transfer Mix ¹	-	-	55	469
	UCF Online ²	551	1,101	1,213	1,335
	Total Headcount	551	1,101	1,268	1,804
Non-Resident Headcount	FTIC/Transfer Mix ¹	-	(12)	(7)	28
	UCF Online ²	60	123	135	149
	Total Headcount	61	111	129	177

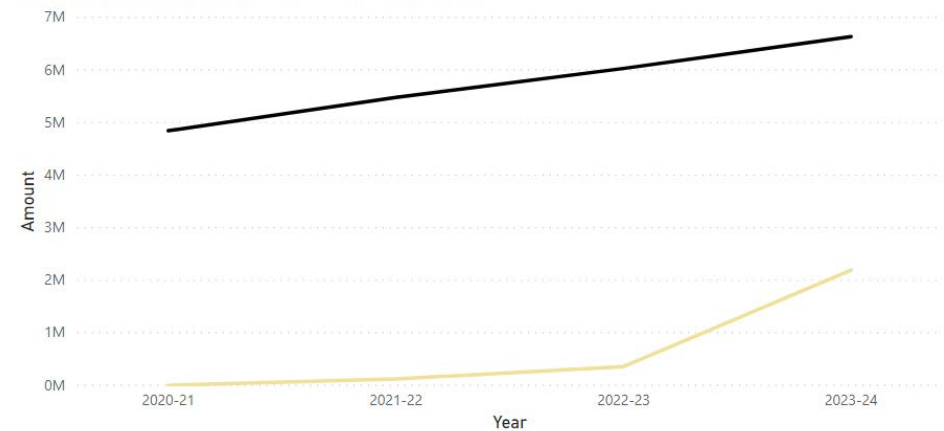
Assumption:

1- The mix between FTIC is increased by 2%, or the equivalent of 565 students with a corresponding decrease of Transfer students by 565. Additionally, roughly 6% of FTIC students are Out of State, while 8% of Transfer Students are Out of State. This assumption results in a net decrease in Out of State Students by 12 in the first year of the change. The assumed average credit hours taken per year by FTIC students is 28.95 and the average credit hours for Transfer students is 25.42. Retention rates for FTIC students were assumed to remain the same at 91.5% after the 1st year, 83.1% after the 2nd year and 73.4% after the 3rd year (all numbers are based off the initial enrollment and not year to year). The Transfer retention is 81.7% after the 1st year.

2- The largest influence on UCF Online growth is due to the increase in the Out-of-State fee that went into effect in Spring 2020. An assumed 10% growth rate (551 students) per year was estimated within UCF Online. Currently, Out-of-State students in UCF Online are 11%. We assumed the mix of In-State and Out-of-States students would remain the same. The Out-of-State fee increased in 2020, resulting in a greater impact of revenue growth within UCF Online.

Incremental Growth per Year

Growth Type ● FTIC/Transfer Mix Growth ● UCF Online Growth

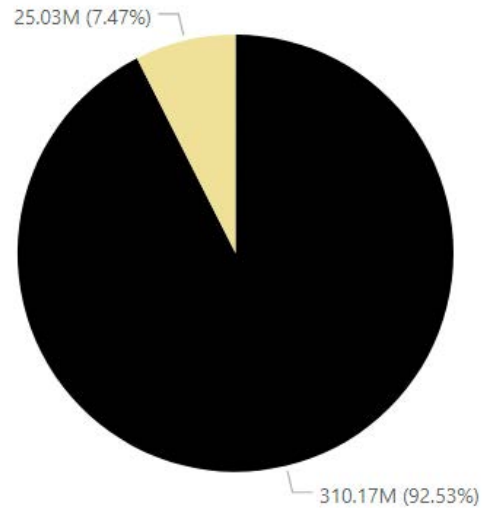


Strengthening Enrollment Strategy and Management

- Restructure enrollment management with all enrollment under a VP or vice provost of enrollment.
- Recognize the significant demand for higher education in the region requires additional conversations with DirectConnect partners on how Central Florida's educational ecosystem is going to meet that demand.
- Advocate for isolating online numbers independent of traditional headcount.

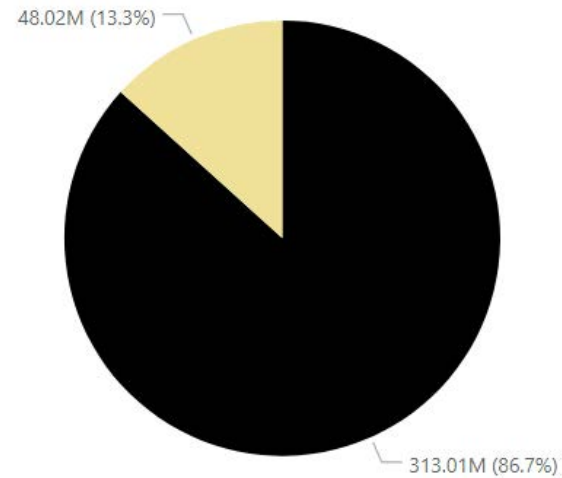
UCF Online Footprint

2019-2020 Revenue Mix



Type ● Tuition Excluding UCF Online ● UCF Online Tuition

2023-2024 Projected Revenue Mix with 10% UCF Online Growth



Type ● Tuition Excluding UCF Online ● UCF Online Tuition

Strengthening Operations



ITEM: INFO - 3

UCF BOARD OF TRUSTEES
February 20, 2020

Title: Board Emerging Issues Updates

Background:

In consultation with Interim President Seymour and aligned with the *UCForward* goal to *Strengthen Operations*, Chair Seay has requested proactive Trustee engagement with areas where the university has made a significant investment, is considering making a significant investment, or has faced challenges.

Proactively strengthening the operations of the university will lay a successful foundation for a new president and compliments the timeline for the presidential search underway. Board members will use their experience and expertise, where they bring valuable background and skills, to advise executive leadership and share with other board members their findings and recommendations on the respective emerging issue.

Issues to be Considered:

Trustees assigned to an emerging issue will provide a brief update to the board. The emerging issues are:

Organizational Alignment

- Communications and Marketing (Trustee Gray)
- DSO and Auxiliary Boards (Trustee Bradley)
- IT / Cybersecurity (Trustee Mills)

Allocation and Management of Resources

- Current Financial Standing and Internal Loans (Chair Seay)
- Enrollment Strategy (Trustee Self)
- Enterprise ERP Upgrade (Trustee Mills)
- New Budget Model (Vice Chair Martins)

Operational and Process Improvements

- Crisis Response Plan (Trustee Sprouls)
- Contracts (Trustee Okaty)
- Real Estate and Space Utilization (Trustee McAlpin)
- Shared Services and Efficiencies (Trustee McAlpin)

Strategic Partnerships and Investments

- BRIDG (Trustee Walsh)
- Stadium Infrastructure (Trustee Walsh)
- UCF Health (Trustee Conte)
- UCF Global (Trustee Gaekwad)

Alternatives to Decision:

N/A

Fiscal Impact and Source of Funding:

N/A

Recommended Action:

N/A

Authority for Board of Trustees Action:

N/A

Contract Reviewed/Approved by General Counsel:

N/A

Committee Chair or Chair of the Board approval:

Chair Seay approved adding this item to the agenda.

Submitted by:

Karen Monteleone, Assistant Vice President, Board Relations

Supporting Documentation:

N/A

Facilitators/Presenters:

Chair Seay

ITEM: **CL-1**

**UCF BOARD OF TRUSTEES
February 20, 2020**

Title: Presidential Assessment Criteria

Background:

The March 2013 Third Amended Presidential and Compensation Review Policy requires an annual review of the president's performance and compensation and delegates the responsibility for organizing and conducting the process to the Compensation and Labor Committee.

Issues to be Considered:

Whether to approve the proposed assessment criteria for the next president of UCF.

Alternatives to Decision:

Amend or reject the proposed assessment criteria.

Fiscal Impact and Source of Funding:

NA

Recommended Action:

Approve the proposed assessment criteria.

Authority for Board of Trustees Action:

Florida Board of Governors Regulation 1.001(5)(a)

Contract Reviewed/Approved by General Counsel:

NA

Committee Chair or Chair of the Board approval:

Committee Chair John Sprouls has approved adding this item to the agenda.

Submitted by:

Maureen Binder, Associate Vice President and Chief HR Officer

Supporting Documentation:

Attachment A: Presidential Assessment Criteria

Attachment B: Leadership Statement (Presidential Profile)

Facilitators/Presenters:

Maureen Binder



Attachment A

Draft Proposed Presidential Performance Assessment Criteria

Assessment Criteria	Comments
1. Personal Characteristics <ul style="list-style-type: none"> • A high level of integrity. • Resilient, able to learn from failures and move constantly forward. • Tolerant of risk and encourages creativity and innovation 	
2. Strong Academic Leader/ Faculty Focus <ul style="list-style-type: none"> • An understanding and respect for the roles and responsibilities of the faculty. • Effective facilitator in cultures where governance is shared and buy-in is critical. • A strong personal and professional academic background. 	
3. Student Focus <ul style="list-style-type: none"> • A sense of commitment to undergraduate education, as well as dedication to and understanding of graduate and professional education and research. • A respect and concern for students. • A commitment to student success in all areas of the collegiate experience. 	
4. Proven Record of Diversity/ Inclusion <ul style="list-style-type: none"> • Commitment to inclusion and diversity. • Desire and ability to include access and inclusion. 	
5. Partnerships/ External Relations <ul style="list-style-type: none"> • A demonstrated record of partnership and spirit of entrepreneurship. • The ability to work with a variety of government agencies. 	
6. Administrative Leadership/ Judgement/Decision Making <ul style="list-style-type: none"> • Anticipatory thinker. • A demonstrated record of building, nurturing, and working with a high-caliber leadership team. • A willingness to make strategic choices, timely decisions, and responsive actions. • Courageous decision maker, who embraces the responsibility to make tough calls. 	



UNIVERSITY OF
CENTRAL FLORIDA

7. Fundraising/ Use of Resources <ul style="list-style-type: none"> The ability to acquire resources from a variety of sources, including fundraising. 	
8. Athletics Knowledge <ul style="list-style-type: none"> Appreciation for the significant role of intercollegiate athletics in the life of the university. 	
9. Knowledge of Metropolitan Universities <ul style="list-style-type: none"> A keen understanding of the unique mission and the ability to lead a multistate metropolitan research university. 	

Missing/Recommended Assessment Criteria

10. Visionary Leader

11. Relationship with the BOT

12. Financial Acumen



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Final Comments. Please provide us with any additional input you feel would be helpful in updating the presidential evaluation

PRESIDENTIAL POSITION DESCRIPTION

Attachment B

LEADERSHIP STATEMENT

Developed by the Board of Trustees, the following are expected demonstrated characteristics of UCF's next president:

- A high level of integrity.
- Anticipatory thinker.
- A strong personal and professional academic background.
- A sense of commitment to undergraduate education, as well as a dedication to and understanding of graduate and professional education and research.
- A respect and concern for students.
- Commitment to inclusion and diversity.
- A commitment to student success in all areas of the collegiate experience.
- An understanding and respect for the roles and responsibilities of the faculty.
- A demonstrated record of building, nurturing, and working with a high-caliber leadership team.
- A demonstrated record of partnership and spirit of entrepreneurship.
- Tolerant of risk and encourages creativity and innovation.
- A willingness to make strategic choices, timely decisions, and responsive actions.
- Courageous decision maker, who embraces the responsibility to make tough calls.
- The ability to acquire resources from a variety of sources, including fundraising.
- The ability to work with a variety of governmental agencies.
- A keen understanding of the unique mission and the ability to lead a multisite metropolitan research university.
- Desire and ability to include access and inclusion.
- Appreciation for the significant role of intercollegiate athletics in the life of the university.
- Effective facilitator in cultures where governance is shared and buy-in is critical.
- Resilient, able to learn from failures and move constantly forward.



ITEM: CL-2

UCF BOARD OF TRUSTEES
February 20, 2020

Title: Presidential Executive Compensation Analysis

Background:

The Florida Board of Governors requires that UCF's Presidential Search Committee conduct an executive compensation analysis to guide the Board of Trustees when negotiating an agreement with a new president.

The analysis provides the data foundation from which the UCF Board of Trustees will negotiate an agreement with the new president.

At the direction of the search committee chair, university administration selected Segal Consulting, an independent, third-party firm, to complete a study of the compensation of comparison, aspirational, and State University System presidents.

The presidential search committee unanimously approved the analysis at its meeting on February 12, 2020.

Issues to be Considered:

Whether to approve the presidential compensation analysis as part of the presidential search process, as required by the Florida Board of Governors.

Alternatives to Decision:

Amend or reject the presidential compensation analysis.

Fiscal Impact and Source of Funding:

NA

Recommended Action:

Approve the presidential compensation analysis and set the compensation range as the minimum to maximum total remuneration as defined in the analysis.

Authority for Board of Trustees Action:

Florida Board of Governors Regulation 1.002(1)(b)i.

Contract Reviewed/Approved by General Counsel:

NA

Committee Chair or Chair of the Board approval:

Committee Chair John Sprouls has approved adding this item to the agenda.

Submitted by:

Maureen Binder, Associate Vice President and Chief HR Officer

Supporting Documentation:

Attachment A: Presidential Executive Compensation Analysis

Facilitators/Presenters:

Maureen Binder

Attachment A

University of Central Florida

Presidential Market Compensation Assessment

February 12, 2020

| Agenda

1. **Methodology and Executive Summary**
2. Market Assessment Results
3. Variable Compensation Alternatives
4. Appendix

Introduction and Study Methodology

- The University of Central Florida (“UCF” or “the University”) engaged Segal (previously “Sibson Consulting”) to conduct a market compensation assessment to prepare for the contract negotiations for the new President
- Data was gathered from *The Chronicle of Higher Education* Executive Compensation database (“the Chronicle”) for Calendar Year 2018
- Data for the State University System of Florida (SUS) is also provided and reflects the 2018 – 2019 Presidential Compensation Survey (as of June 30, 2019) conducted by the System
- Market data was aged to July 1, 2020 using a 2.9% annual update factor for base salary, incentives, other compensation, and retirement and deferred compensation, and an 8% update factor for non-taxable benefits¹

Key Compensation Terms Presented

- **Total Cash Compensation (TCC):** Reflects the sum of base salary and bonus/incentive compensation
- **Total Remuneration (TR):** Reflects the sum of total cash compensation, other taxable compensation, retirement and deferred compensation, and nontaxable benefits
- **Percentile:** Reflects a competitive position within the group. A percentile is a measurement indicating the relative positioning within a group of observations. For example:
 - The 20th percentile is the value below which 20% of the observations may be found
 - If a value is at the 86th percentile, it is higher than 86% of the datapoints

¹ Source: Segal’s *Annual Compensation Planning Survey* analyzing salary increase budgets by industry and job classification.

Introduction and Study Methodology *continued*

Data Sources and Definitions

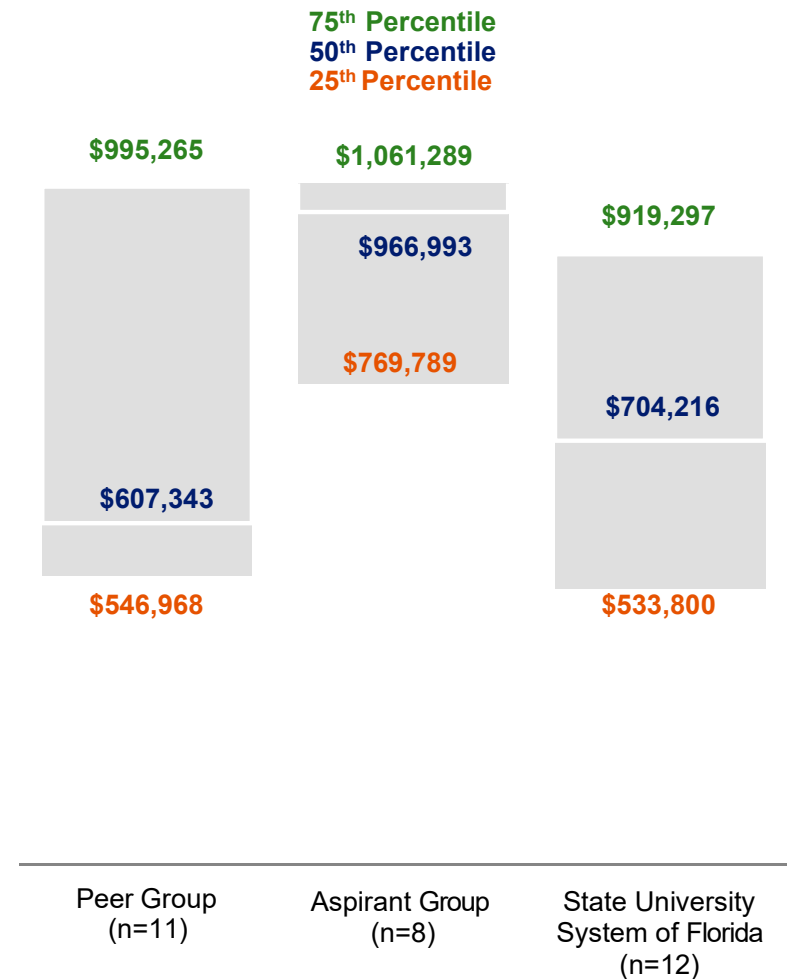
Compensation Component	Data Source: The Chronicle of Higher Education Compensation Database
Base Salary	Total base salary provided to the chief executive, including compensation from private university-related foundations
Bonus and Incentive Compensation	The value of all bonuses and incentive compensation paid out to the chief executive
Other Compensation (Taxable)	Miscellaneous pay and benefits, including, tax gross-ups (money an employer provides an employee for taxes paid on benefits), vacation leave cashed out, debt forgiveness, fellowships, employer-provided vehicles and parking, housing payments, travel, meals, moving expenses, entertainment, spending accounts, and club dues. May also include interest accrued on deferred compensation.
Retirement and Deferred Compensation	Payments made by the university on behalf of the chief executive to a retirement plan that is available to any university employee during the fiscal year. This can include 401(k) plans, state pension plans, and other retirement plans that are broadly available <i>plus</i> deferred compensation set aside in the fiscal year covered that is to be paid out in future years. This includes contributions to supplemental executive retirement plans and does not overlap with any compensation paid out in the reported year.
Nontaxable Benefits	Health and medical benefits, life insurance, housing provided by the employer, personal legal and financial services, dependent care, adoption assistance, tuition assistance, and cafeteria plans.

Market Assessment Results

Executive Summary

- **Total Remuneration:**^{1,2} Median total remuneration for the comparison peers is ~\$607,000. The median for the aspirational peers is ~\$967,000, almost 60% higher. The median for SUS institutions is ~\$704,000
- **Bonus and Incentives:** Six comparison peers (55%) and three aspirational peers (38%) paid an incentive/bonus with an average value of ~\$81,000 and ~\$122,000, respectively. Bonus/incentives are significantly more prevalent at SUS institutions with all but three institutions paying an incentive/bonus with an average value of ~\$118,000
- **Retirement and Deferred Compensation:** Ten comparison peers (91%) and six aspirational peers (75%) provided a retirement benefit at an average value of ~\$41,000 and ~\$37,000 respectively. Seven comparison peers (64%) and six aspirational peers (75%) offered deferred compensation, at an average value of ~\$193,000 and ~\$143,000, respectively
- **Perquisites:** 73% of comparison peers provided a housing benefit and 82% provided an automobile benefit, either provided by the institution or as an annual allowance. 75% of aspirational peers provided housing and automobile benefits. Additional perquisites provided include health or social club dues, personal services, cellular phone allowances, and executive life insurance. This is generally consistent with the SUS institutional practices

Total Remuneration¹



¹ Total Remuneration reflects the sum of base salary, bonus and incentive compensation, other taxable compensation, retirement and deferred compensation, and nontaxable benefits.

² SUS compensation data reflects the sum of base salary, bonus, other cash compensation, annuity, housing allowance, and car allowance.

Market Assessment Results

Executive Summary continued

Criteria Evaluated	Comparison Peers (N=11)	Aspirational Peers (N=8)
Base Salary	<ul style="list-style-type: none"> Median: \$500,191 P25th – P75th: \$403,203 – \$607,709 P25th – P75th Range Spread: 51% 	<ul style="list-style-type: none"> Median: \$706,720 P25th – P75th: \$634,885 – \$716,968 P25th – P75th Range Spread: 13%
Bonus & Incentive Compensation	<ul style="list-style-type: none"> Prevalence: 55% Average Value: \$81,269 Payout Range: \$25,312 to \$208,763 	<ul style="list-style-type: none"> Prevalence: 38% Average Value: \$121,778 Payout Range: \$52,191 to \$208,763
Retirement & Deferred Compensation	<ul style="list-style-type: none"> Retirement Prevalence: 91% Average Value: \$40,799 per year (retirement only) Deferred Compensation: 64% offer deferred compensation—average value of \$192,924 	<ul style="list-style-type: none"> Retirement Prevalence: 75% Average Value: \$36,978 per year (retirement only) Deferred Compensation: 75% offer deferred compensation—average value of \$143,210
Perquisites	<ul style="list-style-type: none"> Housing: 73% (either provided by the institution or an allowance) Automobile: 82% (either provided by the institution or an allowance) 	<ul style="list-style-type: none"> Housing: 75% (either provided by the institution or an allowance) Automobile: 75% (either provided by the institution or an allowance)
	<ul style="list-style-type: none"> Other perquisites offered by both groups include personal services, health or social club membership, cellular phone allowances, and executive life insurance 	
Pay Mix	<ul style="list-style-type: none"> 76% cash¹ / 24% non-cash 	<ul style="list-style-type: none"> 79% cash¹ / 21% non-cash
Total Remuneration²	<ul style="list-style-type: none"> Median: \$607,343 P25th – P75th: \$546,968 – \$995,265 P25th – P75th Range Spread: 82% Three institutions have total remuneration above \$1,000,000 	<ul style="list-style-type: none"> Median: \$966,993 P25th – P75th: \$769,789 – \$1,061,289 P25th – P75th Range Spread: 38% Two institution have total remuneration above \$1,000,000

¹ Reflects the sum of base salary and bonus and incentive compensation.

² Total Remuneration reflects the sum of base salary, bonus and incentive compensation, other taxable compensation, retirement and deferred compensation, and nontaxable benefits.

| Agenda

1. Methodology and Executive Summary
- 2. Market Assessment Results**
3. Variable Compensation Alternatives
4. Appendix

Introduction to Market Assessment

The following pages presents the market results including the following analyses:

1. **Total Remuneration Summary:** Market levels for all components of pay. Includes medians as well as other percentiles
2. **Pay Mix:** Mix of cash and non-cash compensation in the market
3. **Total Remuneration and Total Expenses Regression:** A regression showing the strength of the relationship between a President's total remuneration and the institution's total expenses. Since total expenses are a reflection of the institution's size and complexity, it often shows a relationship to compensation among the comparison group

Market Assessment Summary

Comparison and Aspirational Peers

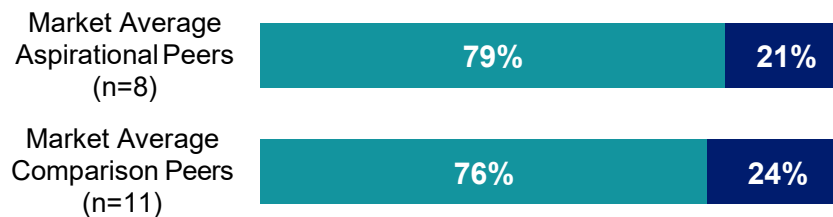
Total Remuneration Summary

		Base Salary	Bonus & Incentive Compensation	Total Cash Compensation	Other Compensation	Retirement & Deferred Compensation	Non-Taxable Benefits	Total Remuneration
Comparison Peers (N=11)	25 th Percentile	\$403,203	\$0	\$424,684	\$0	\$34,938	\$10,207	\$546,968
	Median	500,191	25,312	531,562	4,699	122,882	12,279	607,343
	75 th Percentile	607,709	61,265	646,559	21,631	208,898	21,667	995,265
	90 th Percentile	640,680	99,694	673,861	107,618	323,020	27,186	1,180,307
Aspirational Peers (N=8)	25 th Percentile	634,885	0	656,725	\$0	57,218	6,498	769,789
	Median	706,720	0	717,318	1,534	113,990	10,132	966,993
	75 th Percentile	716,968	65,238	787,040	20,047	208,054	15,121	1,061,289
	90 th Percentile	777,814	135,696	932,199	189,515	254,184	18,532	1,305,580

Pay Mix

Cash vs Non-Cash

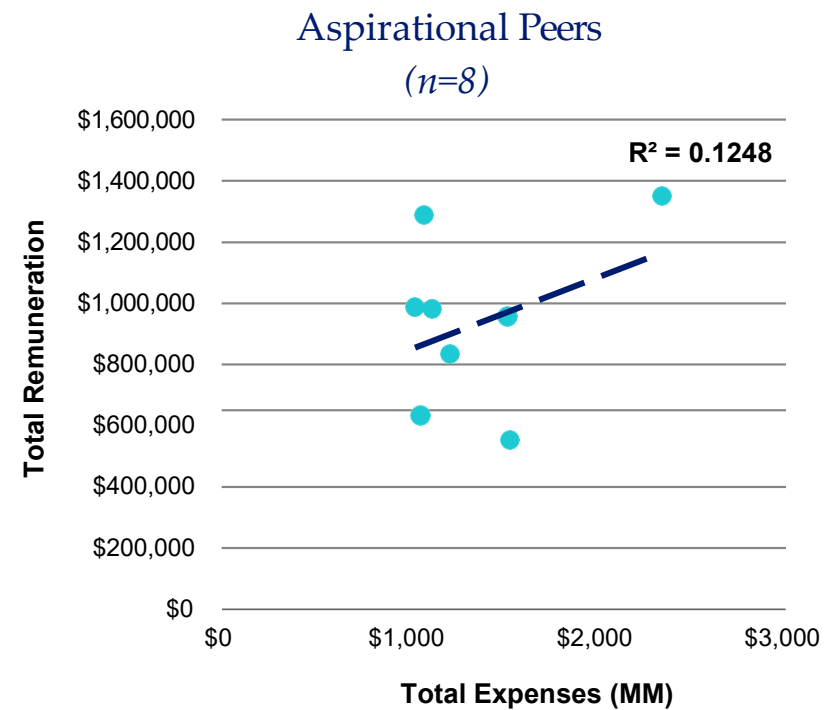
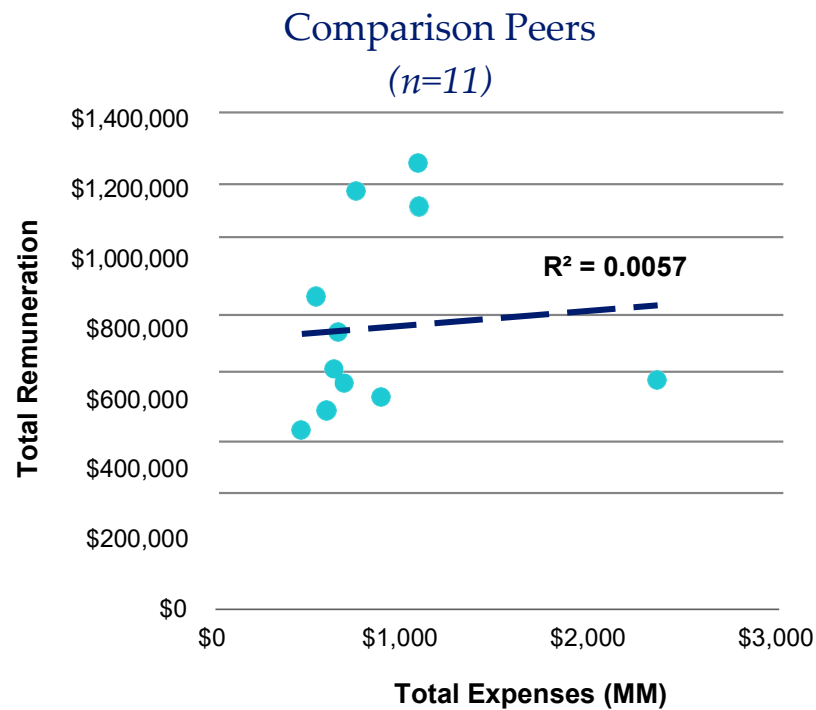
■ Cash Compensation ■ Non-Cash Compensation



Market Assessment Summary *continued*

Comparison and Aspirational Peers

Total Remuneration and Total Expenses Regression



Market Compensation Details

Comparison Peers

Total Remuneration Details (n=11)

Institution Name	Incumbent Name ¹	Market Data						
		Base Salary	Bonus & Incentive Compensation	Total Cash Compensation	Other Compensation	Retirement & Deferred Compensation	Non-Taxable Benefits	Total Remuneration
Georgia State University	Mark P. Becker	\$621,124	\$0	\$621,124	\$0	\$548,430	\$10,753	\$1,180,307
Kent State University	Beverly J. Warren	500,191	99,694	599,885	18,789	122,882	9,099	750,655
Portland State University	Rahmat Shoureshi	640,680	31,314	671,995	128,151	34,446	17,442	852,033
San Diego State University	Adela Irene de la Torre	332,443	0	332,443	0	143,688	11,060	487,191
University of Akron	Matthew J. Wilson	385,573	0	385,573	0	35,430	9,660	430,664
University of Delaware	Dennis Assanis	420,832	42,963	463,795	4,699	31,310	25,893	525,697
University of Houston	Renu Khator	825,604	208,763	1,034,366	1,211	232,253	8,386	1,276,216
University of New Mexico	Garnett Stokes	347,938	0	347,938	24,474	185,543	16,169	574,124
University of North Carolina—Charlotte	Philip L. Dubois	484,462	0	484,462	18,632	77,063	27,186	607,343
University of Texas—Arlington	Vistasp Karbhari	506,250	25,312	531,562	0	24,399	12,279	568,240
Virginia Commonwealth University	Michael Rao	594,294	79,567	673,861	107,618	323,020	33,997	1,138,496
Comparison Peers (n=11)	25 th Percentile	403,203	0	424,684	0	34,938	10,207	546,968
	Median	500,191	25,312	531,562	4,699	122,882	12,279	607,343
	75 th Percentile	607,709	61,265	646,559	21,631	208,898	21,667	995,265
	90 th Percentile	640,680	99,694	673,861	107,618	323,020	27,186	1,180,307

¹ Reflects the incumbent at the time of data collection in *The Chronicle of Higher Education* survey.

Market Compensation Details

Aspirational Peers

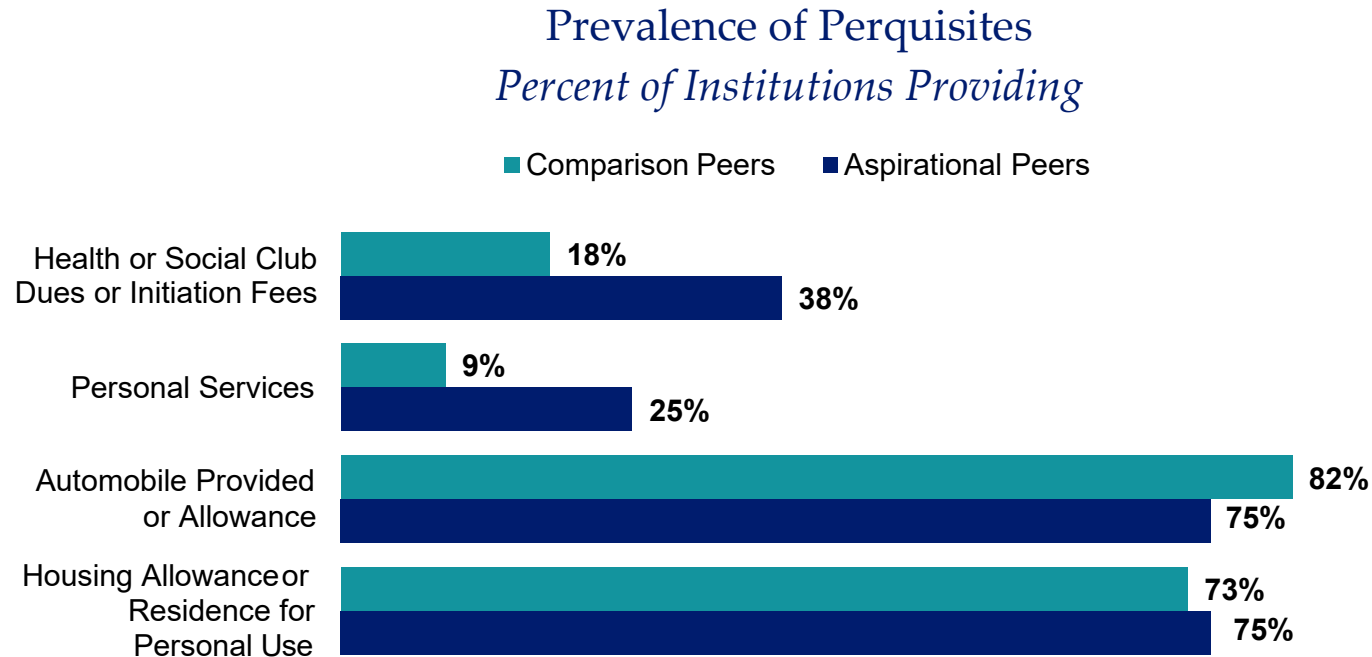
Total Remuneration Details (n=8)

Institution Name	Incumbent Name ¹	Market Data						
		Base Salary	Bonus & Incentive Compensation	Total Cash Compensation	Other Compensation	Retirement & Deferred Compensation	Non-Taxable Benefits	Total Remuneration
Arizona State University	Michael M. Crow	\$716,618	\$0	\$716,618	\$476,787	\$149,735	\$5,775	\$1,348,915
Auburn University	Steven Leath	714,190	0	714,190	0	262,676	9,183	986,049
North Carolina State University	W. Randolph Woodson	685,071	208,763	893,833	4,597	49,172	6,739	954,341
Oregon State University	Edward J. Ray	718,019	0	718,019	0	250,545	11,081	979,644
University of Cincinnati	Neville Pinto	699,251	52,191	751,442	0	59,900	20,616	831,958
University of Colorado at Boulder	Philip DiStefano	450,492	0	450,492	0	36,962	14,281	501,736
University of Nebraska at Lincoln	Ronnie D. Green	484,330	0	484,330	3,069	78,244	17,639	583,282
University of South Carolina at Columbia	Harris Pastides	917,336	104,381	1,021,717	66,398	193,891	5,002	1,287,008
Aspirational Peers (n=8)	25 th Percentile	634,885	0	656,725	0	57,218	6,498	769,789
	Median	706,720	0	717,318	1,534	113,990	10,132	966,993
	75 th Percentile	716,968	65,238	787,040	20,047	208,054	15,121	1,061,289
	90 th Percentile	777,814	135,696	932,199	189,515	254,184	18,532	1,305,580

¹ Reflects the incumbent at the time of data collection in *The Chronicle of Higher Education* survey.

Perquisite Prevalence

Comparison and Aspirational Peers



The perquisites reported above only include categories reported by *The Chronicle of Higher Education*. The value of these and other benefits and perquisites (both taxable and non-taxable) is reported by the *Chronicle*, and is included as part of Total Remuneration in this report

Market Compensation Details

State University System of Florida (SUS)

State University System of Florida

2018-19 Presidential Compensation Survey (As of June 30, 2019)

Institution Name	President	Total Salary ¹	Bonus ²	Total Other ³	Annuity ⁴	Housing Allowance ⁵	Car ⁶	Total Compensation
Florida A&M University	Larry Robinson	\$419,650	\$57,750	\$0	\$0	\$42,000	\$14,400	\$533,800
Florida Atlantic University	John William Kelly	483,065	142,500	5,901	72,750	Provided by University	Yes	704,216
Florida Gulf Coast University	Michael V. Martin	348,659	100,000	1,985	0	49,808	Yes	500,452
Florida International University	Mark B. Rosenberg	502,579	100,000	99,620	0	Provided by University	11,500	713,699
Florida Polytechnic University	Randy Avent	626,344	53,016	0	55,000	0	10,200	744,560
Florida State University	Thrasher, John	595,159	300,000	149,257	0	Provided by University	10,800	1,055,216
New College of Florida	Donal B. O'Shea	305,000	25,000	0	53,375	40,000	5,000	428,375
University of Central Florida ⁷	Alan Dale Whittaker	354,839	0	630,917	66,904	Provided by University	Yes	1,052,660
University of Central Florida ⁸	Thaddeus Seymour Jr.	190,368	0	306	0	0	0	190,674
University of Florida	W. Kent Fuchs	899,087	35,963	324,090	0	Provided by University	0	1,259,140
University of North Florida	David Szymanski	405,000	0	7,527	81,000	45,000	24,000	562,527
University of South Florida ⁹	Judy Genshaft	505,837	295,500	4,936	101,168	0	11,856	919,297
University of West Florida	Martha Saunders	373,228	70,218	1,950	58,584	24,000	14,000	541,980
25th Percentile		354,839	25,000	306	0	\$0	6,300	533,800
50th Percentile		419,650	57,750	4,936	53,375	32,000	11,150	704,216
75th Percentile		505,837	100,000	99,620	66,904	42,750	13,464	919,297
90th Percentile		620,107	264,900	289,123	79,350	46,442	15,360	1,054,705

¹ Annual contract salary, including salary increases for the specified year, paid from State funds plus the annual salary supplement, if any, paid from non-State funds.

² Actual amount of any bonuses provided during the fiscal year.

³ Amount of annual State contract compensation, if any, for items other than salary and housing (exclude fringe benefits) plus annual amount of all other compensation, if any, provided from non-State sources.

⁴ Annual amount contributed, if any, to an annuity.

⁵ Annual amount, if any, for housing allowance provided from other than State sources.

⁶ If funds are provided for a car, the annual amount provided.

⁷ Contract ended on 02/27/19.

⁸ Contract began 02/21/19.

⁹ New President Steven Currall's compensation is as follows: base salary of \$575,000, bonus up to \$275,000, 20% (\$115,000) in deferred compensation, \$12,000 automobile allowance, \$84,000 housing allowance, and a one-time relocation payment of \$100,000. Total remuneration, excluding relocation, equals \$1,061,000. See Appendix for details.

| Agenda

1. Methodology and Executive Summary
2. Market Assessment Results
3. **Variable Compensation Alternatives**
4. Appendix

Introduction to Variable Compensation Vehicles

- In higher education, short-term (i.e., annual) incentive plans are more common than long-term incentive plans; deferred compensation is common but can be limited by vehicles and statutory requirements
- UCF would like to include a variable compensation vehicle in the new President's contract, with the following key objectives:
 1. Ensure market competitiveness
 2. Incent performance
 3. Support retention to promote institutional stability
- The following three vehicles can be utilized in combination in a prospective contract to accomplish the abovegoals

○ No alignment ◐ Some alignment ● Significant alignment

Option	Market Competitiveness	Performance	Retention	Description
Performance-Based Annual Incentive	◐	●	◐	<ul style="list-style-type: none"> • Promotes short-term performance and focus (i.e., one-year performance period) • Most common performance vehicle in higher education for Presidents • Typically paid out immediately but may require future vesting¹
Performance-Based Long-Term Incentive	◐	●	◐	<ul style="list-style-type: none"> • Promotes long-term performance and focus (i.e., five-year performance period) • Supports retention but with risk element • No immediate cash award
Completion of Contract/Retention Award	●	○	●	<ul style="list-style-type: none"> • Strictly a retention mechanism • Can pay out annually (with increasing awards) or pay at completion of contract

The risk and reward relationship in how the above vehicles can be used in the Presidential contract will inform the pay opportunities (i.e., risk equals greater upside and vice versa).

¹ May require future service-based vesting to incent retention (e.g., earn 50% immediately and defer 50% to end of contract).

Illustrative Straw Models

- The following page illustrates possible payouts over the course of a 5-year contract under three variable compensation plan alternatives, or scenarios
- While each scenario has the same target opportunity, each illustrates a difference balance, or ratio, between risk and reward
- The table below shows the pay opportunity under target performance; for modeling purposes, we assume the following payouts based on performance (applicable to annual and long-term incentives only)
 - Below Threshold Performance: 0% of target
 - Threshold Performance: 50% of target
 - Target Performance: 100% of target
 - Maximum Performance: 150% of target

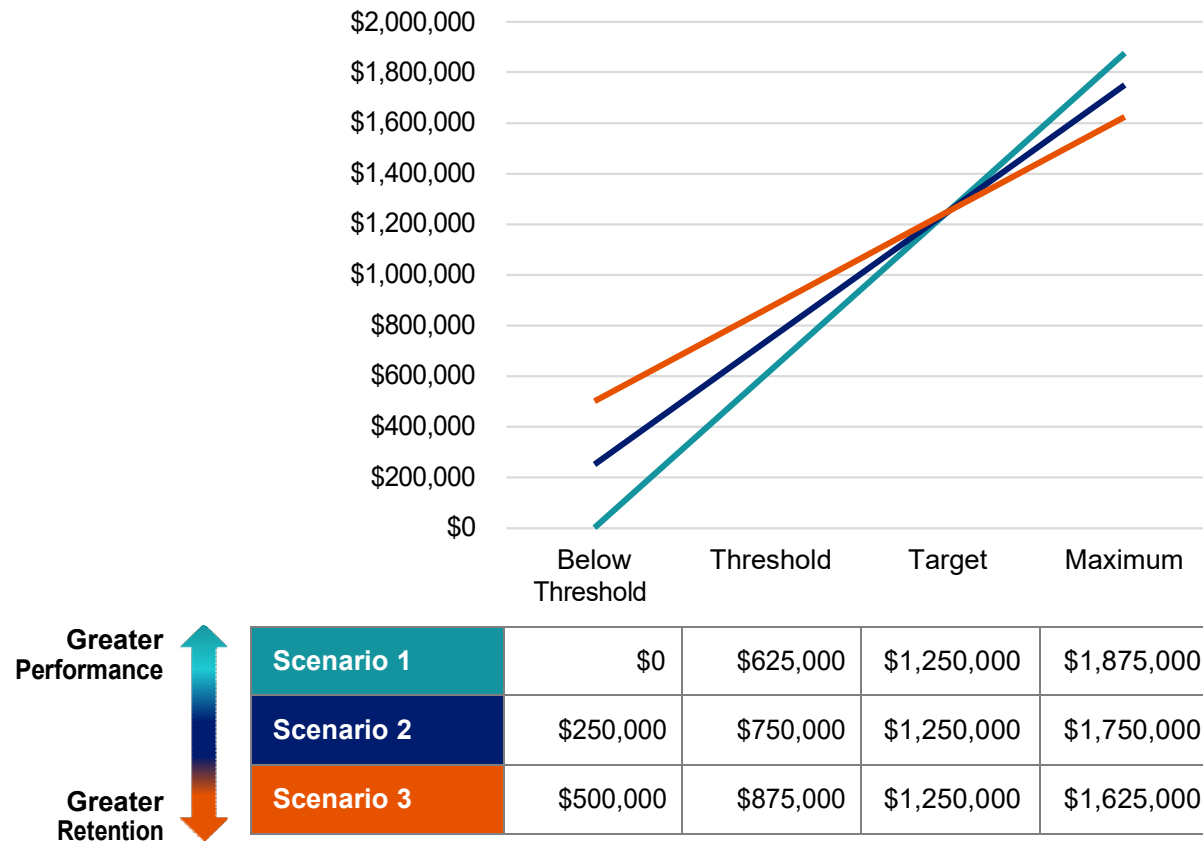
Variable Opportunity at Target

Payout at Target	Scenario 1: <i>Annual Incentive + Long-Term Incentive</i>	Scenario 2: <i>Annual Incentive + Long-Term Incentive + Completion of Contract</i>	Scenario 3: <i>Annual Incentive + Completion of Contract</i>
Annual Incentive (total over 5 years)	\$750,000	\$750,000	\$750,000
Long-Term Incentive	\$500,000	\$250,000	N/A
Completion of Contract	N/A	\$250,000	\$500,000
Total Opportunity¹	\$1,250,000	\$1,250,000	\$1,250,000

¹ President may also receive an additional bonus award of \$250,000 for achieving pre-eminence during contract term.

Illustrative Variable Compensation Comparison

Illustrative 5-Year Variable Compensation Comparison



You can vary the design elements as needed to attain the appropriate balance between performance and retention, risk and reward.

| Agenda

1. Methodology and Executive Summary
2. Market Assessment Results
3. Variable Compensation Alternatives
4. **Appendix**
 - **Comparison Group List**
 - **Pay Mix Details**
 - **Perquisite Prevalence Details**
 - **USF Contract Details**
 - **Illustrative Variable Compensation Comparison Payout Details**

Appendix 1

Institutions Included in Market Assessment

Comparison Peer Group	Aspirational Peer Group	State University System of Florida (SUS)
<ul style="list-style-type: none"> • Georgia State University • Kent State University • Portland State University • San Diego State University • University of Akron • University of Delaware • University of Houston • University of New Mexico • University of North Carolina at Charlotte • University of Texas at Arlington • Virginia Commonwealth University 	<ul style="list-style-type: none"> • Arizona State University • Auburn University • North Carolina State University • Oregon State University • University of Cincinnati • University of Colorado at Boulder • University of Nebraska at Lincoln • University of South Carolina at Columbia 	<ul style="list-style-type: none"> • Florida Agricultural and Mechanical University • Florida Atlantic University¹ • Florida Gulf Coast University • Florida International University¹ • Florida Polytechnic University • Florida State University • New College of Florida • University of Central Florida • University of Florida • University of North Florida • University of South Florida¹ • University of West Florida

¹ These SUS institutions are also part of the Comparison Peer Group but are being reported along with the other SUS institutions as the data sources, and thus compensation components, differ.

Appendix 2

Pay Mix Details: Cash vs. Non-Cash Compensation

Institution	Cash Compensation		Non-Cash Compensation		
	Base Salary	Bonus & Incentive Compensation	Other Compensation	Retirement & Deferred Compensation	Non-Taxable Benefits
Comparison Peers¹					
Georgia State University	53%	0%	0%	46%	1%
Kent State University	67%	13%	3%	16%	1%
Portland State University	75%	4%	15%	4%	2%
San Diego State University	68%	0%	0%	29%	2%
University of Akron	90%	0%	0%	8%	2%
University of Delaware	80%	8%	1%	6%	5%
University of Houston	65%	16%	0%	18%	1%
University of New Mexico	61%	0%	4%	32%	3%
University of North Carolina at Charlotte	80%	0%	3%	13%	4%
University of Texas at Arlington	89%	4%	0%	4%	2%
Virginia Commonwealth University	52%	7%	9%	28%	3%
Comparison Peers Average (n=11)	71%	5%	3%	19%	2%
Aspirational Peers¹					
Arizona State University	53%	0%	35%	11%	0%
Auburn University	72%	0%	0%	27%	1%
North Carolina State University	72%	22%	0%	5%	1%
Oregon State University	73%	0%	0%	26%	1%
University of Cincinnati	84%	6%	0%	7%	2%
University of Colorado at Boulder	90%	0%	0%	7%	3%
University of Nebraska at Lincoln	83%	0%	1%	13%	3%
University of South Carolina at Columbia	71%	8%	5%	15%	0%
Aspirational Peers Average (n=8)	75%	5%	5%	14%	1%

¹ Data may not add up to 100% due to rounding.

Appendix 3

Perquisite Prevalence Details

Institution	Housing Allowance or Residence for Personal Use	Automobile Provided or Allowance	Personal Services	Health or Social Club Dues or Initiation Fees
Comparison Peers¹				
Georgia State University	✓	✓		
Kent State University	✓	✓		
Portland State University	✓	✓		
San Diego State University		✓		
University of Akron				
University of Delaware	✓	✓		
University of Houston	✓	✓		
University of New Mexico	✓	✓	✓	✓
University of North Carolina at Charlotte	✓	✓		✓
University of Texas at Arlington				
Virginia Commonwealth University	✓	✓		
Comparison Peers Perquisite Prevalence (n=11)	73%	82%	9%	18%
Aspirational Peer¹				
Arizona State University	✓	✓	✓	✓
Auburn University	✓	✓		
North Carolina State University		✓		
Oregon State University	✓	✓	✓	✓
University of Cincinnati	✓	✓		
University of Colorado at Boulder	✓			
University of Nebraska at Lincoln				
University of South Carolina at Columbia	✓	✓		✓
Aspirational Peers Perquisite Prevalence (n=8)	75%	75%	25%	38%

¹ Perquisite prevalence was gathered from *The Chronicle of Higher Education* Executive Compensation database.

Appendix 4

New Presidential Contract Terms – *University of South Florida*¹

Contract Terms	University of South Florida
Name	Dr. Steven Currall
Effective Date	March 2019
Employment Commences On	07/01/19
Term	5 years
Base Salary	\$575,000
Annual Incentive Compensation	Up to \$275,000 annually; 70% of award based on performance with respect to goals and objectives, 30% within sole discretion of Board Chair
Retirement and Deferred Compensation	20% of base salary annually contributed to a deferred compensation plan; to be payable at end of initial contract terms, involuntary termination without cause, or death/permanent disability while in office
Benefits	<ul style="list-style-type: none"> • All standard executive service benefits • Lifsey House or other comparable facility to carry out duties, including use of the facility for official University functions, meetings with faculty, staff, students, and community leaders and for official entertainment • \$12,000 annual automobile allowance, including insurance in an amount not to be less than current property and casualty insurance package limits • \$84,000 annual housing allowance or occupancy of Lifsey House (after renovations) • Reasonable expenses to attend University-related events, educational conferences, conventions, courses, seminars, and other similar professional growth activities, including membership in professional organizations and other organizations that would further the interests of the University • Reasonable University-related entertainment and travel expenses, including travel for the President's spouse or partner where attendance of same is in the best interests of the University • Cost of annual dues and membership fees for mutually agreed to private club memberships that will facilitate the performance of President's duties
Other	<ul style="list-style-type: none"> • One-time relocation allowance of \$100,000 • Tenured faculty appointment as Professor in the Muma College of Business; eligible to participate in instructional activities if invited, no additional compensation • At end of Presidential appointment (other than for-cause termination, death, or disability), entitled to 12-month professional development leave at then-current base salary and benefits; ceases if he accepts another appointment outside the University • At conclusion of professional development, can continue employment as tenured professor at then-salary adjusted for 9-month term, then further adjusted to be commensurate with average of two highest-paid faculty in his College; may also be eligible for administrative assignment

¹ Reflects publicly available contract.

Appendix 5

Illustrative Variable Compensation Comparison Payout Details

Illustrative 5-Year Variable Compensation Comparison



Performance Level	Scenario 1			Scenario 2				Scenario 3		
	Annual Incentive	Long-Term Incentive	Total	Annual Incentive	Long-Term Incentive	Completion of Contract	Total	Annual Incentive	Completion of Contract	Total
Below Threshold	\$0	\$0	\$0	\$0	\$0	\$300,000	\$300,000	\$0	\$600,000	\$600,000
Threshold	\$250,000	\$250,000	\$500,000	\$250,000	\$100,000	\$300,000	\$650,000	\$200,000	\$600,000	\$800,000
Target	\$500,000	\$500,000	\$1,000,000	\$500,000	\$200,000	\$300,000	\$1,000,000	\$400,000	\$600,000	\$1,000,000
Maximum	\$750,000	\$750,000	\$1,500,000	\$750,000	\$300,000	\$300,000	\$1,350,000	\$600,000	\$600,000	\$1,200,000

ITEM: **CL-3**

**UCF BOARD OF TRUSTEES
February 20, 2020**

Title: Termination of the Performance Unit Plan

Background:

The University of Central Florida Board of Trustees approved the Performance Unit Plan for President and Other Senior Officers (PUP or Plan) on May 24, 2007, and revised the Plan on February 20, 2013, stating that the Board may at any time terminate, withdraw, or amend the Plan.

Issues to be Considered:

Whether or not to terminate the Performance Unit Plan.

Alternatives to Decision:

Continue or amend the Performance Unit Plan.

Fiscal Impact and Source of Funding:

Termination of PUP payments has an estimated projected cost savings value of between \$178,000 and \$376,000 annually based on five-year average.

Recommended Action:

Terminate the Performance Unit Plan.

Authority for Board of Trustees Action:

Florida Board of Governors Regulation 1.001(5)(a)

Contract Reviewed/Approved by General Counsel:

NA

Committee Chair or Chair of the Board approval:

Committee Chair John Sprouls has approved adding this item to the agenda.

Submitted by:

Maureen Binder, Associate Vice President and Chief HR Officer

Supporting Documentation:

Attachment A: 2013 – 18 PUP Historical Data Attainment & Payouts

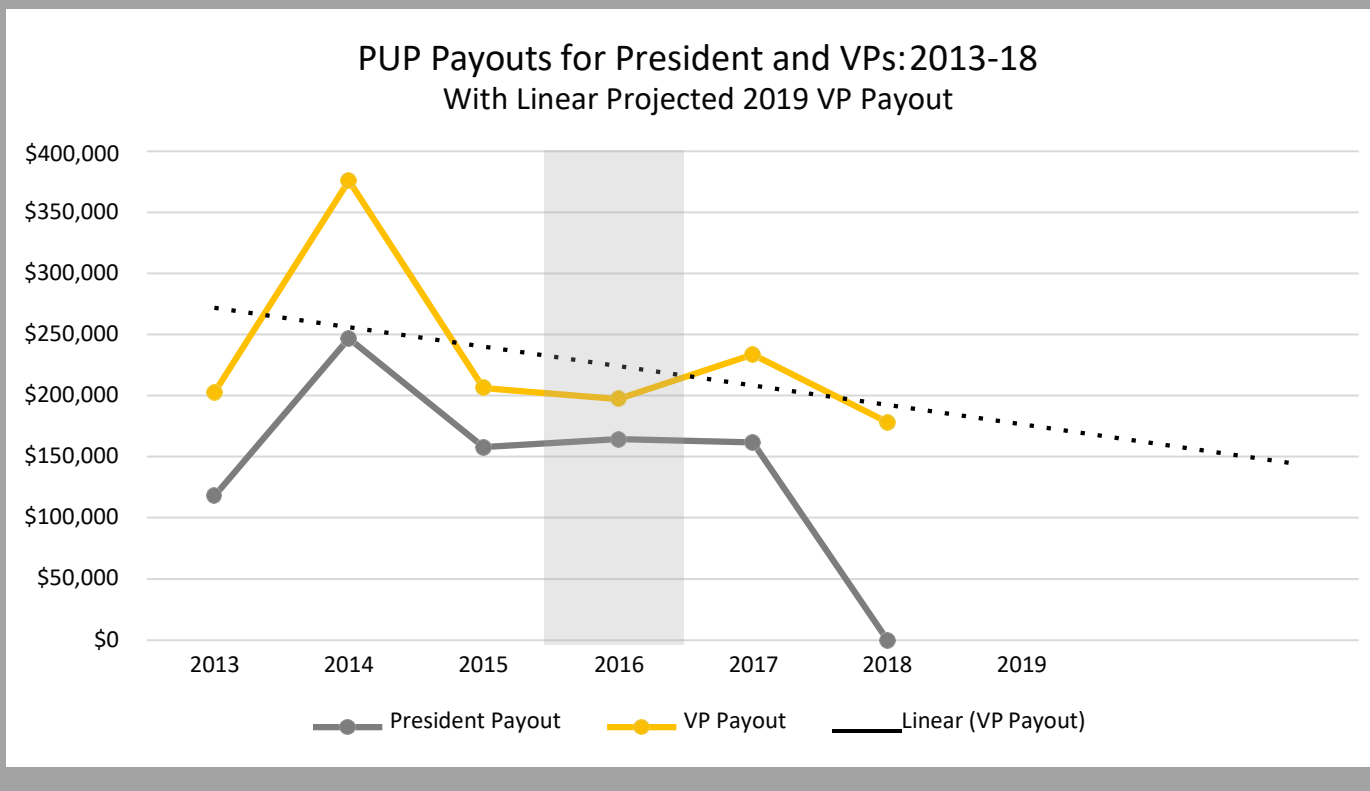
Facilitators/Presenters:

Maureen Binder

2013-18 PUP History: Plan Attainment & Payouts

Attachment A

	2013	2014	2015	2016	2017	2018	Average
Percent Attainment	53.59%	102.93%	64.50%	64.50%	61.50%	48.04%	65.84%
President Payout	\$117,898	\$247,032	\$158,025	\$164,475	\$161,745	\$0	\$141,529
VP Payout	\$202,380	\$375,932	\$206,214	\$197,237	\$233,792	\$178,241	\$232,299
Total Payout	\$320,278	\$622,964	\$364,239	\$361,712	\$395,537	\$178,241	\$373,829



ITEM: CL-4

UCF BOARD OF TRUSTEES
February 20, 2020

Title: Performance Unit Plan Incentive Awards for the 2015-18

Background:

On May 24, 2007, the University of Central Florida Board of Trustees approved the Performance Unit Plan. The plan document, revised in 2013, states that the decision of the board regarding university performance during any performance period shall be final, and that payment value of the Performance Units shall be adjusted to reflect the actual University performance during the Performance Period, within lower and upper limits established by the Board at the time of the Award. Moreover, the plan document authorized the board to reduce, modify, suspend or eliminate incentive awards for any Performance Periods, when in the discretion of the Board, prudence deems such action appropriate.

Issues to be Considered:

Whether or not to eliminate the incentive awards for the 2015-18 Performance Unit Plan cycle.

Alternatives to Decision:

Approve, reduce, modify, or suspend award payments for the 2015-18 Performance Unit Plan cycle.

Fiscal Impact and Source of Funding:

Elimination of the incentive award for the 2015-18 Performance Unit Plan cycle has a projected cost savings value of \$178,241.

Recommended Action:

Eliminate the incentive awards for the 2015-18 based upon a finding of "Adverse Financial Conditions" as defined in the plan.

Authority for Board of Trustees Action:

Florida Board of Governors Regulation 1.001(5)(a)

Contract Reviewed/Approved by General Counsel:

NA

Committee Chair or Chair of the Board approval:

Committee Chair John Sprouls has approved adding this item to the agenda.

Submitted by:

Maureen Binder, Associate Vice President and Chief HR Officer

Supporting Documentation:

Attachment A: 2015 – 2018 Performance Incentive Measures, Goals, and Actual Performance

Attachment B: 2015 – 2018 Performance Unit Plan Payments

Facilitators/Presenters:

Maureen Binder

Attachment A

2015-18 Performance Incentive Measures, Goals, and Actual Performance

Calculation of Measurement Earned Percentage was prepared by auditor

Objective/Performance Measure	Weight	Performance Goals			Actual Performance				% Earned	Weighted % Earned	
		Minimum 25%	Target 100%	Maximum 150%	Year 1	Year 2	Year 3	Final Data			
Quality of Education											
Six-year graduation rates -FTIC	22%	69.7%*	70.2%*	70.7%	70.6% 2009 cohort	69.0% 2010 cohort	70.0% 2011 cohort	69.9% average over 2009, 2010, 2011 cohorts	37%	8.14%	
One-year retention rates -FTIC students	12%	88.5%	89%*	89.5%*	89.1% 2014 cohort	88.8% 2015 cohort	89.6% 2016 cohort	89.2% average over 2014, 2015, 2016cohorts	120%	14.40%	
Four-year graduation rates AA transfer summer and fall full-time students	22%	73.2%	73.7%	74.2%	72.0% 2011 cohort	72.3% 2012 cohort	73.7% 2013 cohort	72.7% average over 2010, 2011, 2012 cohorts	0%	0.00%	
External Support											
Research grants: Average per tenured and tenure-track faculty member FTE	17%	\$135,000 per FTE	\$140,000 per FTE	\$145,000 per FTE	\$144,310 932.0 FTE 2015-16	\$140,808 1002.7 FTE 2016-17	\$174,338 1040.7 FTE 2017-18	\$153,152 average over 2016, 2017,2018	150%	25.50%	
Total philanthropy for the three year period to the UCF and UCF athletics program without Courtelis or state matchingfunds. Includes planned gifts, gifts-in-kind, and pledges.	17%	\$150,000,000	\$165,000,000	\$180,000,000	\$543,752,162 FY 2015-16	\$50,228,090 2016-17	\$51,893,093 2017-18	\$145,873,345 total over 2015-18	0%	0.00%	
BOG Performance Funding Benchmarks											
Maintain UCF's performance and standing as a top tier SUS institution. Average of final performance funding rankings.	10%	Top 4 Alone	Top 3 Tied	Top 3 Alone	Top 1 Tied 2016	Top 5 2017	Top 7 2018	4.3 average over 2016, 2017, 2018	0%	0.00%	
Total	100%									48.04%	

* Note: Since final data was between performance goals, an average was calculate for percentage earned.

Attachment B

Calculation of Payouts [prepared by auditor]

Percent Earned: 48.04% [1]

2015-18 Performance Unit Plan Payments

Name	Position	Target Units 2015-18	Payments Due
German, Deborah	VP and Dean, Health Affairs	780	\$ 37,471
Soileau, MJ ^[2]	former VP, Research and Commercialization	420	\$ 7,444
Morsberger, Mike	VP, Development and Alumni Relations	600	\$ 28,824
Hartman, Joel	VP, IT&R	420	\$ 20,177
Cole, Scott	VP and General Counsel	390	\$ 18,736
Heston, Grant	VP, Communications and Marketing	320	\$ 15,373
Holsenbeck, Daniel ^[3]	former Senior VP, University Relations	340	\$ 16,110
Ehasz, Maribeth	VP, Student Development and Enrollment Services	350	\$ 16,814
Schell, Rick ^[4]	former VP and Executive Chief of Staff, Office of the President	320	\$ 15,373
Donegan, Helen ^[5]	former VP Emerita, Community Relations	250	\$ 1,919
Total		4190	\$ 178,241

^[1] Amount owed for 2015-18 is 48.04% of each participant's target units times \$100.

	<u># days earned</u>	<u># days not earned</u>	<u>% earned</u>
^[2] Soileau stepped down from VP position on 8/8/16; he worked in a PUP-eligible position for 404 of 1095 days in the 2015-18 cycle	404	691	36.9%
^[3] Holsenbeck stepped down from VP position on 6/15/18; he worked in a PUP-eligible position for 1080 of 1095 days in the 2015-18 cycle	1080	15	98.6%
^[4] Schell stepped down from VP position on 6/30/18; he worked in a PUP-eligible position for 1095 of 1095 days in the 2015-18 cycle	1095	0	100.0%
^[5] Donegan retired on 10/1/13 and was rehired on 4/11/14; she worked in a PUP-eligible position for 175 of 1095 days worked in the 2015-18 cycle.	175	920	16.0%

ITEM: GOV-1

**UCF BOARD OF TRUSTEES
February 20, 2020**

Title: Central Florida Clinical Practice Organization, Inc. Bylaws Amendments

Background:

Central Florida Clinical Practice Organization, Inc. (CFCPO) is a practice plan corporation whose purpose is to assist the College of Medicine in carrying out the business operations of the College of Medicine clinical mission. The original CFCPO Bylaws were approved and adopted by the CFCPO Board of Directors on April 5, 2010 and have since been amended and restated. Most recently, the CFCPO Bylaws were amended by its Board of Directors to update titles, update removal language, address term of office, and make other revisions. More specifically, amendments include:

- Updating the title of the Vice President for Medical Affairs to Vice President for Health Affairs.
- Updating references to the Medical Affairs unit to the Health Affairs unit.
- Replacing on the Board of Directors the university's Vice President for Administration and Finance or his/her designee with the university's Chief Operating Officer or his/her designee.
- Clarifying the term of office of Directors designated in the Bylaws.
- Clarifying that the Chair shall be the Vice President for Health Affairs for as long as he/she serves as the Vice President for Health Affairs.
- Eliminating any requirement for the Treasurer to provide security.
- Adding language permitting the President to remove any officer at any time and permitting the Board to remove any elected officer upon 2/3 vote.

Issues to be Considered:

The CFCPO Board reviewed and approved the proposed Fifth Amended & Restated Bylaws at its August 29, 2019 meeting. The Governance Committee approved the proposed changes with some additional amendments at its January 28, 2020 meeting. The CFCPO will review these additional changes at its meeting on February 29, 2020.

Alternatives to Decision:

With respect to title changes, there is no alternative as there is no longer a Vice President for Medical Affairs or a Vice President for Administration and Finance. For all other changes, alternative language can be proposed and considered.

Fiscal Impact and Source of Funding:

N/A

Recommended Action:

Approval of proposed Fifth Amended & Restated Bylaws.

Authority for Board of Trustees Action:

UCF Board of Trustees Policy BOT-4, Delegation of Authority to the President.

Contract Reviewed/Approved by General Counsel:

N/A

Committee Chair or Chair of the Board approval:

Chair Bill Yeargin has approved adding this item to the agenda.

Submitted by:

Deborah C. German, Chair, Central Florida Clinical Practice Organization, Inc.

Supporting Documentation:

Attachment A: Proposed Fifth Amended & Restated Bylaws (redline)

Facilitators/Presenters:

Deborah C. German, Chair, Central Florida Clinical Practice Organization, Inc.

Jeanette C. Schreiber, Secretary, Central Florida Clinical Practice Organization, Inc.

Attachment A

~~FOURTH~~FIFTH
AMENDED & RESTATED
BYLAWS
of
CENTRAL FLORIDA CLINICAL PRACTICE ORGANIZATION, INC.

(A Non-Profit Corporation)

ARTICLE I.
NAME

The name of this Corporation shall be CENTRAL FLORIDA CLINICAL PRACTICE ORGANIZATION, INC.

ARTICLE II.
PURPOSE

The corporation is organized as a corporation not-for-profit under Chapter 617, Florida Statutes. The corporation shall be organized and operated exclusively for scientific, educational and charitable purposes, within the meaning of Section 501(c)(3) of the United States Internal Revenue Code, and not for pecuniary profit, and exclusively for the support and benefit of the University of Central Florida (the “university”). The corporation shall possess all powers and authority as are now or may hereafter be granted to corporations not-for-profit under the laws of the State of Florida. The specific purposes for which the corporation is organized shall include the promotion and support of medical education, research, and patient care, including the collection, receipt, management, administration and distribution of funds, exclusively for support of the mission and objectives of the university’s College of Medicine (the “College”), in accordance with the College of Medicine Faculty Practice Plan adopted in accordance with Florida Board of Governors Regulation 6C-9.017, or corresponding provisions of any subsequent laws or rules.

ARTICLE III.
MEMBERSHIP

The corporation shall have no members and shall be managed by the Board of Directors.

ARTICLE IV.
FISCAL YEAR

The fiscal year of the corporation shall begin on the first day of July and end on the last day of June in each year.

ARTICLE V.
BOARD OF DIRECTORS

Section 1. Directors. The Board of Directors shall consist of:

- (a) A member of the university Board of Trustees appointed by the Chair of the Board of Trustees,
- (b) The Dean of the College of Medicine,
- (c) The Dean of the College of Nursing,
- (d) The Vice President for ~~Medical~~Health Affairs of the university,
- (e) The Provost of the university or designee,
- (f) The ~~Vice President for Administration and Finance~~Chief Operating Officer of the university or designee,
- (g) Two (2) members of the senior leadership team of the university's ~~Medical~~Health Affairs unit appointed by the Vice President for ~~Medical~~Health Affairs of the university, and
- (h) Three (3) members of the College of Medicine's employed clinical faculty, two of whom shall practice at the College of Medicine's faculty practice and one of whom shall be a clinical department Chair, elected by the employed clinical faculty who practice at the College of Medicine's faculty practice.

If any member of the Board of Directors shall serve *ex officio* in more than one designated position, their membership in the Board of Directors shall be considered as one position and they shall have no more than one vote per matter presented to the Board of Directors.

Section 2. Terms of Office. *Ex officio* members of the Board of Directors shall serve as directors of the corporation, pursuant to section 1 (b), (c), (d) (e) and (f), for such time as they continue to serve in their positions with the university. Directors designated pursuant to section 1 (e) and (f), if any, will serve for terms of three years commencing at the annual meeting of the Board of Directors or until their successors will be duly designated and approved. Directors appointed or elected pursuant to section 1 (a), (g) and (h), shall serve for terms of three (3) years commencing at the annual meeting of the Board of Directors or until their successors shall be duly appointed or elected and qualified. ~~Any such~~ Any appointed, designated or elected director may be appointed, designated or elected to succeed himself/herself. The terms of the elected clinical faculty directors shall be staggered so as to expire at different times.

Section 3. Powers and Duties of the Board of Directors. The property, affairs, activities, and concerns of the corporation shall be vested in the Board of Directors. All management functions shall be exercised by the Board of Directors subject to delegation by the Board to others.

The Board of Directors shall have the power to hold and to invest and reinvest any monies it receives and to hold any property, to sell or exchange the same, and to invest and reinvest the proceeds of any sale or other conversion of any such property, for the purpose of earning income, which income, less operating expenses of the corporation, shall be used to further the specific purposes of the corporation.

The corporation shall have the power and authority to borrow money by issuing long or short term notes, bonds, or debentures and to pledge, mortgage, or otherwise encumber its assets within the discretion of the Board of Directors, subject to the policies of the university and its Board of Trustees.

Section 4. Meetings of the Board. The Board of Directors shall hold an annual meeting in the first quarter of each fiscal year for the receiving of annual reports of officers, directors and committees, and the transaction of other business. Regular meetings of the Board of Directors shall be held at such times as shall be determined by the Board. Written notice of the time and place of the annual meeting and regular meetings shall be provided by the Secretary to each director, by personal delivery, first class mail, or electronic mail, at least three (3) business days before the meeting.

Special meetings of the Board of Directors may be called by the Chair or upon the written request of three (3) members of the Board. At least three (3) business days prior written notice of any special meeting shall be provided by the Secretary to all members of the Board by personal delivery, first class mail, or electronic mail.

Notice of a meeting of the Board of Directors may be waived by any director, either before or after the meeting. Attendance of a director at a meeting shall constitute a waiver of notice, except when a director states, at the beginning of the meeting, any objection to the transaction of business because the meeting was not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice.

Section 5. Quorum and Voting. A majority of the Board of Directors shall constitute a quorum for the transaction of business. In the absence of the Chair and Vice Chair, the quorum present may choose a chair for the meeting. If a quorum is not present, a lesser number may adjourn the meeting to a date no more than ten (10) days later. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors unless a greater number is required by these bylaws or by law.

Section 6. Order of Business. The order of business shall be as follows at all the meetings of the Board of Directors:

- (a) calling the roll
- (b) review of the minutes of the prior meeting
- (c) reports of committees
- (d) reports of officers
- (e) old and unfinished business
- (f) new business
- (g) adjournment

Any question as to priority of business shall be decided by the Chair. This order of business may be altered or suspended at any meeting by a majority vote of the members present.

Section 7. Vacancies. Whenever any vacancy occurs in the Board of Directors by death, resignation, or otherwise, it shall be filled without undue delay. In the case of elected clinical faculty directors, the vacancy shall be filled by an election held by the clinical faculty. Any person appointed, designated or elected to fill a vacancy in the Board of Directors shall hold office for the unexpired term of his or her predecessor in office, subject to the power of removal stated in these bylaws or by law.

Section 8. Removal. The President of the university may remove any director at any time upon written notice, with or without cause, except for directors appointed by the Chair of the Board of Trustees. The Board of Directors may remove any director at any time upon a two-thirds vote of the directors, whenever the best interests of the corporation would be served. Directors appointed or elected pursuant to section 1(g) and (h), may be removed at any time by the appointing or electing entity.

Section 9. Participation by Conference Telephone. Members of the Board of Directors may participate in a meeting of the Board by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

ARTICLE VI. OFFICERS

Section 1. Number Officers. Except as otherwise provided in these Bylaws, the affairs of the corporation are to be managed by a Chair, a Vice Chair, a Secretary, and a Treasurer. The offices of Secretary and Treasurer may be consolidated and held by one person, if so determined by the Board of Directors. The Board of Directors may select an executive director of the corporation and may delegate to the executive director the responsibility for the day-to-day management and operation of the corporation.

Section 2. Election and Term of Office. The Chair of the corporation shall be the Vice President for Medical Health Affairs of the university, and shall serve for such time as he/she continues to serve as the Vice President for Health Affairs of the university. The Board of Directors shall elect the Vice Chair, Secretary, and Treasurer for terms of three (3) years. A majority of a quorum present shall be necessary to constitute an election.

Section 3. Duties of Officers. The duties and powers of the officers of the corporation shall be as follows:

Chair. The Chair shall preside at the meetings of the Board of Directors and shall be a member *ex officio*, with right to vote, of all committees. The Chair shall perform such other duties as are necessarily incident to the office of the chair. The Chair shall sign all certificates, bonds, deeds, mortgages, leases, and contracts of the corporation except as otherwise approved by the Board of Directors. The Chair shall perform all duties as the Board of Directors shall designate and may delegate certain duties with the Board's approval.

Vice Chair. In case of the death or absence of the Chair, or of his/her inability to act, the Vice Chair shall perform the duties of the chair.

Secretary. The Secretary shall give notice of and attend all meetings of the Board of Directors and keep a record of the actions of the Board and committees; conduct correspondence and carry into execution all orders, votes, and resolutions not otherwise committed; notify the officers and members of the Board of their election; notify committee members of their appointment on committees; and generally carry out such duties as are incident to the office of the secretary.

Treasurer. The Treasurer shall keep an account of all monies received and expended for the use of the corporation. The Treasurer shall cause to be deposited from time to time such funds of the corporation as the Treasurer may deem necessary or advisable in accounts with any such bank or banks designated in a manner approved by the Board of Directors, and shall make a report at the annual meeting or when called upon by the Chair.

~~Section 4. Bond of Treasurer. The Treasurer shall give to the corporation such security for the faithful discharge of his/her duties as the Board of Directors may direct.~~

Section 45. The Executive Director. The Board of Directors may appoint an executive director to serve at the pleasure of the Board or for such other term as fixed by a contract between the corporation and the executive director. The executive director shall be an *ex officio* non-voting member of the Board of Directors and all committees appointed by the Board of Directors. The executive director shall also serve as the chief administrative officer of the corporation and, as such, shall be responsible for the day-to-day management and operation of the corporation and may hold the office of Treasurer if approved by the Board of Directors. The executive director shall be accountable directly to the corporation's Chair.

~~Section 5. Removal. The President of the university may remove any officer at any time upon written notice. The Board of Directors may remove any elected officer at any time upon a two-thirds vote of the directors, whenever the best interests of the corporation would be served.~~

Section 6. Vacancies. A vacancy in any office, whether due to death, resignation, removal, disqualification, or otherwise, may be filled by the Board of Directors for the unexpired portion of the term. All vacancies in any office shall be filled by the Board of Directors without undue delay, at any regular meeting, or at a meeting regularly called for that purpose.

ARTICLE VII. **COMMITTEES**

Section 1. Standing Committees. At the first meeting of the Board of Directors after their election, or as soon thereafter as practicable, the Chair shall, subject to the Board's approval, appoint and charge such committees as he/she may deem necessary and advisable to assist in the conduct of the corporation's affairs.

Section 2. Audit Committee. The Board of Directors may establish an Audit Committee to provide for oversight of the integrity of financial reporting, internal controls and the independence and performance of the audit function of the corporation's independent auditors.

Section 3. Committee on Nominations of Clinical Faculty Representatives. The Board of Directors may establish a nominating committee of at least three (3) members of the clinical faculty in the College of Medicine whose duty it shall be to seek nominations from the employed clinical faculty who practice at the College of Medicine's faculty practice candidates for election to the Board of Directors by the clinical faculty in accordance with Article V. Such nominations shall be reported in writing to the Secretary, who will hold an election in May/June of each year. Board members elected from clinical faculty shall take office effective at the annual meeting.

Section 4. Special Committees. The Chair may, at any time, appoint other committees on any subject for which there are no standing committees.

Section 5. Membership and Committee Quorum. Committees of the Board of Directors may include members who are not directors but shall be constituted to include a majority of directors and shall be chaired by a director appointed by the Chair. Committee members may be removed at any time, with or without cause, and committees may be abolished at any time by the Chair of the corporation.

A majority of any committee of the corporation shall constitute a quorum for the transaction of business.

Section 6. Committee Vacancies. The authority that originally appointed a committee shall have the power to fill any vacancy on the committee.

ARTICLE VIII. DISTRIBUTION OF NET RECEIPTS

The accumulation, expenditure, and distribution of all funds of the corporation shall be exclusively for the support of the mission and objectives of the University of Central Florida College of Medicine and shall be made only after approval by the Vice President for ~~Medical~~Health Affairs of the university or designee.

ARTICLE IX. ADMINISTRATIVE POLICIES

Section 1. Affairs and Operations. Notwithstanding any other provision of these Bylaws to the contrary, the affairs and operations of the corporation shall be conducted in compliance with the applicable regulations of the Florida Board of Governors and the University of Central Florida, including regulations governing the faculty practice plan for the University of Central Florida College of Medicine.

Section 2. Financial Audits and Reports. All financial records of the corporation shall be available to the appropriate personnel of the university from time to time designated by the Vice

President for ~~Medical~~Health Affairs of the university, the President of the university, or the Chair of the university Board of Trustees. The corporation shall annually have a financial audit of its accounts and records conducted by an independent certified public accountant. Copies of each annual audit and management letter shall be forwarded to the President of the university, the Vice President for ~~Medical~~Health Affairs of the university, the Dean of the College of Medicine, and the university Board of Trustees and the Board of Governors.

Section 3. Operating Budget. An operating budget shall be prepared for the corporation at least annually and recommended by the Dean of the College of Medicine, the Vice President for ~~Medical~~Health Affairs of the university, and the President of the university to the university Board of Trustees and the Board of Governors for review and oversight.

ARTICLE X. INDEMNIFICATION

The Corporation shall, to the extent legally permissible, indemnify and defend each of its directors, officers, employees, or other agents against all liabilities and expenses, including where applicable, amounts paid actions, suit or other proceeding, whether civil or criminal, in which such person may be involved by reason of corporate employment or Board of Directors service, except with respect to any matter as to which such person shall have been adjudicated in any proceeding not to have acted in good faith in the reasonable belief that such action was in the best interest of the Corporation; provided that any payment by the way of settlement, compromise or consent decree shall be indemnified hereunder only to the extent that it shall be determined by the Board to have been made in the best interests of the Corporation; and further provided that no settlement hereunder shall be entered into without the prior consultation and approval of a duly authorized representative of the Board. Any person believing himself to be entitled to indemnification or defense under this Section shall, in order to qualify for indemnification or defense hereunder, notify the Chair immediately upon the occurrence giving rise to said entitlement.

In the event that a director, officer, employee or other agent who would otherwise be entitled to indemnification or defense hereunder is entitled, through insurance or otherwise, to alternative sources (s) of indemnification or defense for liabilities and expenses noted above, such individual will be entitled, under this provision, only to indemnification or defense to the extent not provided by such alternative sources(s).

Nothing contained in this Article shall affect any rights of indemnification or defense to which corporate personnel other than directors, officers, employees, and other agents of the Corporation may be entitled by contract or otherwise by law.

ARTICLE XI. AMENDMENTS

The Bylaws of the corporation shall be made, altered, or rescinded by a two-thirds (2/3) vote of members of the Board of Directors present at any regular or special meeting at which a quorum is present. Copies of all amendments shall be provided to the President of the university and the university Board of Trustees.

These ~~Fourth~~Fifth Amended & Restated Bylaws of the Central Florida Clinical Practice Organization, Inc. were approved and adopted by the corporation's Board of Directors on ~~March 10, 2015~~August 29, 2019.

Deborah C. German, M.D.
Chair, Board of Directors

Amendment History

Adopted by Board of Directors: 4/5/2010

Amended and Restated: 8/1/2011

Second Amended and Restated: 9/4/2012

Third Amended and Restated: 9/11/2014

Fourth Amended and Restated: 3/10/2015

Fifth Amended and Restated: 8/29/2019

ITEM: AUD-1

**UCF BOARD OF TRUSTEES
February 20, 2020**

Title: Review of Audit and Compliance Committee Charter

Background:

The attached charter requires an annual review by the Audit and Compliance Committee.

Section H

- *Review the Committee's charter annually and update as necessary.*
- *Ensure that any changes to the charter are discussed with the Board and reapproved.*

Issues to be Considered:

Consider the intent and impact of the proposed changes to the charter. The proposed language is primarily intended to update job titles, address the Committee's oversight of developing the enterprise risk management program, and provide additional clarity surrounding the current responsibilities assigned to the Committee.

Alternatives to Decision:

Elect to maintain the charter's current language or propose additional revisions to those proposed by university staff.

Fiscal Impact and Source of Funding:

No significant fiscal impact related to the recommended action is anticipated.

Recommended Action:

Approval of the proposed changes

Authority for Board of Trustees Action:

UCF Audit and Compliance Committee Charter and Board of Governors Regulations 4.002 State University System Chief Audit Executives and 4.003 State University System Compliance and Ethics Programs.

Contract Reviewed/Approved by General Counsel:

N/A

Committee Chair or Chair of the Board approval:

Chair Joseph Conte has approved adding this item to the agenda.

Submitted by:

Rhonda L. Bishop, Vice President for Compliance and Risk
Robert Taft, Chief Audit Executive

Supporting Documentation:

Attachment A: Audit and Compliance Committee Charter

Facilitators/Presenters:

Rhonda L. Bishop, Vice President for Compliance and Risk

Robert Taft, Chief Audit Executive

Attachment A

UCF Audit and Compliance Committee Charter

1. Purpose

The Audit and Compliance Committee ("Committee") is appointed by the University of Central Florida Board of Trustees ("Board") and assists the Board in discharging its oversight responsibilities. The committee oversees the following for the University of Central Florida ("University") and its direct support organizations ("DSO"):

- internal control structure,
- independence and performance of internal and external audits and corrective actions plans,
- integrity of information technology infrastructure, security, and data governance,
- independence and effectiveness of the compliance and ethics program,
- compliance with applicable laws and regulations,
- standards for ethical conduct,
- risk identification and mitigation,
- and internal investigation processes.

2. Membership

The Committee will consist of at least three members of the Board of Trustees.

Members will be independent and objective in the discharge of their responsibilities and free of any financial, family, or other material personal relationship that would impair their independence from management and the University.

The Chair of the Board will appoint the chair, vice chair, and additional members of the Committee. Members will serve on the Committee until their departure from the Board, resignation, or replacement by the Chair of the Board.

3. Experience and Education

Members of the Committee should have professional experience and expertise in at least one of the following fields: post-secondary education, non-profit administration, law, banking, insurance and financial services, finance, accounting, financial reporting, auditing, risk management, or information technology.

~~As requested, The committee may direct~~ the University and outside resources, ~~as directed by the committee, may provide to provide~~ the Committee with educational resources relating to the Committee in maintaining and enhancing an appropriate level of financial and compliance literacy.

4. Meetings

The Committee will meet as needed to address matters on its agenda, but not less frequently than three times each year.

A majority of the members of the Committee will constitute a quorum for the transaction of business.

Meeting agendas will be prepared jointly by the Committee chair, the chief audit executive, and the ~~chief compliance and ethics officer~~vice president for compliance and risk taking into account recommendations from Committee members. Meeting agendas and appropriate briefing materials will be provided in advance to Committee members.

The Committee will maintain written minutes of its meetings.

The Committee may ask members of management or other individuals to provide pertinent information as necessary. In addition, the Committee may request special reports from University or DSO management on topics that may enhance its understanding of ~~its~~the university's activities and operations.

In addition to scheduled meetings of the full Committee, the Committee chair will meet with the chief audit executive and ~~chief compliance and ethics officer~~the vice president for compliance and risk on a regular basis or as needed.

The Committee is subject to Florida's Government in the Sunshine Law, as set forth in Chapter 286, Florida Statutes. The Sunshine Law extends to all discussions and deliberations as well as any formal action taken by the Committee.

5. Authority

The Board authorizes the Committee to:

- Perform activities within the scope of its charter.
- Have unrestricted access to management, faculty, and employees of the University and its DSOs, as well as to all their books, records, and facilities.
- Study or investigate any matter related to audit, compliance, risk, or related concerns such as potential fraud or conflicts of interest that the Committee deems appropriate.
- Engage independent counsel and other advisers as it deems necessary to discharge its duties.
- Provide oversight and direction of the internal auditing function, of external auditors, and of engagements with state auditors.
- Provide oversight and direction of the institutional compliance, ethics, and enterprise risk management and insurance programs, and be knowledgeable of the program with respect to its implementation and effectiveness.
- Perform other duties as assigned by the Board.

6. Roles and responsibilities

With regard to each topic listed below, the Committee will:

A. Internal Controls and Financial Statements

- Evaluate the overall effectiveness of the internal control framework by reviewing audit reports and open audit issue status updates and investigation memorandum to determine if recommendations made by the internal and external auditors have been implemented by management.
- Make inquiries of management and the external auditors concerning the effectiveness of the University's system of internal controls.
- Determine whether the external auditors are satisfied with the disclosure and content of the financial statements, including the nature and extent of any significant changes in accounting principles.
- Review management's written responses to significant findings and recommendations of the auditors, including the timetable to correct weaknesses in the internal control system.
- Review the adequacy of accounting, management, and financial processes of the University and its DSOs.
- Review the financial reporting process implemented by management of the University and its DSOs.
- Review University and DSO management processes for ensuring the transparency of the financial statements and the completeness and clarity of the disclosures.

B. External Audit

- Receive and review audits by the State of Florida Auditor General.
- Receive and review audits of the direct support organizations and component units.
- Review and contract with external auditors for special audits or reviews related to the University's affairs and report the results of any such special projects to the Board.

C. Internal Audit

- Review the independence, qualifications, activities, performance, resources, and structure of the internal audit function and ensure no unjustified restrictions or limitations are made.
- Review the effectiveness of the internal audit function and ensure that it has appropriate standing within the University.
- Ensure that significant findings and recommendations made by the internal auditors and management's proposed response are received, discussed, and appropriately dispositioned.

- Review the proposed internal audit plan for the coming year or the multi-year plan and ensure that it addresses key areas of risk based on risk assessment procedures performed by Audit in consultation with management and the Committee.
- Obtain reports or notification concerning financial fraud resulting in losses in excess of \$10,000 or involving a member of senior management.

D. Data Integrity

- Review the adequacy of the university's information technology management methodology with regards to internal controls, including applications, systems, and infrastructure.
- Review the adequacy of the university's data management policies and procedures to ensure data security and data integrity in institutional reporting.

E. Compliance and Ethics Program

- Review and approve the Compliance Program Plan and any subsequent changes.
- Review the independence, qualifications, activities, resources, and structure of the compliance and ethics function and ensure no unjustified restrictions or limitations are made.
- Review the effectiveness of the compliance and ethics program in preventing or detecting noncompliance, unethical behavior, and criminal misconduct and ensure that it has appropriate standing and visibility across the University.
- Ensure that significant findings and recommendations made by the ~~chief compliance and ethics officer~~vice president for compliance and risk are received, discussed, and appropriately dispositioned.
- Ensure that procedures for reporting misconduct, or ethical and criminal violations are well publicized and administered and include a mechanism that allows for anonymity or confidentiality, whereby members of the university community may report or seek guidance without the fear of retaliation.
- Review the effectiveness of the system for monitoring compliance with laws and regulations and management's investigation and follow-up (including disciplinary action) of any wrongful acts or non-compliance.
- Review the proposed compliance and ethics work plan for the coming year and ensure that it addresses key areas of risk and includes elements of an effective program as defined by Chapter 8 of the Federal Sentencing Guidelines.
- Obtain regular updates from the ~~chief compliance and ethics officer~~vice president for compliance and risk regarding compliance and ethics matters that may have a material impact on the organization's financial statements or compliance policies.
- Review the findings of any examinations or investigations by regulatory bodies.

- Review the University and DSO conflict of interest policies to ensure that: 1) the term "conflict of interest" is clearly defined, 2) guidelines are comprehensive, 3) annual signoff is required, and 4) potential conflicts are adequately resolved and documented.

F. Enterprise Risk and Insurance Program

- Review and approve the University's enterprise risk policy to include approval of the University's risk appetite and tolerance
- Oversee the identification, assessment, and mitigation of the University's enterprise risks and opportunities
- Obtain an annual update on the University's enterprise risk universe
- Obtain regular updates from the vice president for compliance and risk regarding critical risk matters that may materially impact the organization's financial position, operations, and / or reputation
- Gain and maintain reasonable assurance that the University's insurance strategy appropriately protects University assets

G. Reporting Responsibilities

- Regularly update the Board about its activities and make appropriate recommendations.
- Ensure the Board is ~~aware~~-informed of matters that may cause significant financial, legal, reputational, or operational impact to the University or its DSOs.
- Receive a summary of findings from completed internal and external audits and the status of implementing related recommendations.
- Receive a summary of findings from completed reports related to the compliance, ethics, or risk programs.

H. Evaluating Performance

- Evaluate the Committee's own performance, both of individual members and collectively, on a periodic basis and communicate the results of this evaluation to the Board.
- Review the Committee's charter annually and update as necessary.
- Ensure that any changes to the charter are discussed with the Board and reapproved.

ITEM: AUD-2

**UCF BOARD OF TRUSTEES
February 20, 2020**

Title: Board of Governors' Performance-based Funding Data Integrity Certification Audit Report

Background:

As an annual requirement, University Audit has performed an audit of UCF's processes to ensure the completeness, accuracy, and timeliness of data submissions relating to Board of Governors' performance funding metrics.

The results of this audit are required to be accepted by the committee including any identified corrective action plans. After acceptance by the committee and subsequent review and approval by the full UCF Board of Trustees, the report shall be submitted to the Board of Governors' Office of Inspector General and Director of Compliance no later than March 1, 2020.

Issues to be Considered:

To determine if the report achieves the objective of complying with the Board of Governors' reporting requirements and any correction plans identified within the report are clearly documented and adequately address the correction plans.

Alternatives to Decision:

Elect not to accept the report and/or require additional work be performed by University Audit along with a formal request to the Board of Governors for a filing extension.

Fiscal Impact and Source of Funding:

Cost to UCF is internal representing the hours spent by University Audit and other departments in completing the audit and reviewing the results.

Recommended Action:

Accept University Audit's report on the Board of Governors Performance-based Funding Data Integrity Certification Process.

Authority for Board of Trustees Action:

The Florida Board of Governors' Data Integrity Certification process which was established in June 2014.

Contract Reviewed/Approved by General Counsel:

N/A

Committee Chair or Chair of the Board approval:

Chair Joseph Conte has approved adding this item to the agenda.

Submitted by:

Robert Taft, Chief Audit Executive

Supporting Documentation:

Attachment A: Board of Governors' Performance-based Funding Data Integrity Certification Audit Report

Facilitators/Presenters:

Robert Taft, Chief Audit Executive

Attachment A

UNIVERSITY AUDIT

AUDIT 354
JANUARY 17, 2020

PERFORMANCE-BASED FUNDING DATA INTEGRITY

AUDIT OF INTERNAL CONTROLS AND COMPLIANCE
AS OF SEPTEMBER 30, 2019



UNIVERSITY OF CENTRAL FLORIDA

This work product was prepared in accordance with the International Standards for the Professional Practice of Internal Auditing, as published by the Institute of Internal Auditors, Inc.



University Audit

UNIVERSITY OF CENTRAL FLORIDA

MEMORANDUM

TO: Thad Seymour
Interim President

FROM: Robert J. Taft
Chief Audit Executive

DATE: January 17, 2020

SUBJECT: Audit of Performance-based Funding Data Integrity

The enclosed report represents the results of our Performance-based Funding Data Integrity audit.

We appreciate the cooperation and assistance of the staff in Institutional Knowledge Management and UCF IT.

cc: M. Paige Bordon
Linda Sullivan
Elizabeth Dooley
Jana Jasinski
Board of Trustees
State University System of Florida Inspector General

Background and Performance Objectives

Beginning in 2013-14, the Florida Board of Governors (BOG) implemented a performance-based funding (PBF) model which utilizes 10 performance metrics to evaluate universities on a range of issues, including graduation rates, job placement, cost per degree, and retention rates. According to information published by the BOG in May 2014, the following are key components of the funding model.

- For each metric, institutions are evaluated on either Excellence (a raw score) or Improvement (the percentage change from the prior year).
- Performance is based on data from one academic year.
- The benchmarks for Excellence are based on the BOG 2025 System Strategic Plan goals and analysis of relevant data trends, whereas the benchmarks for Improvement are determined by the BOG after reviewing data trends for each metric.
- The Florida Legislature and Governor determine the amount of new state funding and a proportional amount of institutional funding that would come from each university's recurring state base appropriation.

For 2019-20 funding, each university was evaluated on seven metrics common to all universities, except Florida Polytechnic University, which is not yet eligible to participate in the funding process. The eighth metric applied to all institutions except New College, which had an alternate metric more appropriate to its mission. The ninth metric was chosen by the BOG, focusing on areas of improvement and the distinct missions of each university. The tenth metric was chosen by each university's Board of Trustees (BOT) from the remaining metrics in the University Work Plan.

UCF's metrics were:

1. percent of bachelor's graduates continuing their education or employed (with a salary greater than \$25,000) within the U.S. one year after graduation
2. median wages of bachelor's graduates employed full-time one year after graduation
3. average cost to the student (net tuition per 120 credit hours) for a bachelor's degree
4. four-year graduation rate (includes full-time, first time in college students)
5. academic progress rate (second year retention with a GPA greater than 2.0)
6. bachelor's degrees awarded within programs of strategic emphasis
7. university access rate (percent of fall undergraduates with a Pell-grant)
8. graduate degrees awarded within programs of strategic emphasis
9. percent of bachelor's degrees without excess hours
10. number of bachelor's degrees awarded annually

The BOG developed a Performance-based Funding Data Integrity Certification form to provide assurances that the data provided by universities is reliable, accurate, and complete. In a letter dated June 18, 2019, to University Board of Trustee Chairs, Ned Lautenback, Board of Governor's Chair, asked that the data integrity audits include preeminence and emerging preeminence metrics. Accordingly, we incorporated the preeminence metrics into our audit plan.

This certification form is to be signed by the university president, affirmatively certifying each of the 13 stated representations or providing an explanation as to why the representation cannot be made as written. The certification form is also to be approved by the university BOT and signed by the BOT chair.

To make such certifications meaningful, during the 2019 Legislative Session, lawmakers approved Senate Bill 190 that contains language amending section 1001.706, Florida Statutes. The new language states:

“Each university shall conduct an annual audit to verify that the data submitted pursuant to ss. 1001.7065^[1] and 1001.92^[2] complies with the data definitions established by the board and submit the audits to the Board of Governors Office of Inspector General as part of the annual certification process required by the Board of Governors.”

Audit Objectives and Scope

The primary objective of this audit was to determine the adequacy of university controls in place to promote the completeness, accuracy, and timeliness of data submissions to the BOG, particularly as they relate to PBF metrics and preeminence metrics. This audit will also provide an objective basis of support for the president and BOT chair to certify the required representations on the data integrity certification form.

Our approach is to audit files related to a minimum of four of the 10 measures each year so that all measures are tested at least twice within a five-year cycle but this year we tested five since we repeated testing of the percent of bachelor's degrees without excess hours. This year's testing including data files submitted as of September 30, 2019, related to:

- Metric 1: percent of graduates employed full-time in Florida or continuing their education in the U.S. on year after graduation
- Metric 5: academic progress rate (second year retention rate with GPA above 2.0)
- Metric 8: graduate degrees awarded within programs of strategic emphasis
- Metric 9: percent of bachelor's degrees without excess hours
- Metric 10: number of bachelor's degrees awarded annually for 2017-18

The achieved Preeminent Metrics selected for testing include:

- Metric E: National Academy memberships
- Metric H: National ranking in STEM research expenditures
- Metric I: Patents awarded (over 3-year period)
- Metric J: Doctoral degrees awarded annually

No testing was performed for Preeminent Metrics that were not achieved.

¹ S. 1001.7065, Florida Statute, Preeminent State Research University Program

² S. 1001.92, Florida Statute, State University System Performance-based Incentive

We performed a comprehensive review of the controls and processes established by the university to ensure the completeness, accuracy, and timeliness of data submissions to the BOG which supported the PBF metrics during our audit in 2015-16 and continued to review any changes to these controls and processes on an annual basis.

In addition, we verified the completeness and accuracy of the Hours to Degree (HTD), Courses to Degree (CTD), Student Instruction File (SIF), and Student Financial Aid (SFA) files submitted to the BOG in support of the measures listed above. By independently developing our own queries in PeopleSoft and comparing those results to the files submitted to BOG, we were able to test 100 percent of the students submitted for each file, with the exception of HTD. Because of methodology and source system complexities, a query could not be developed; therefore, we tested a sample of students to ensure accuracy.

Overview of Results

Based on our audit, we have concluded that UCF's controls and processes are adequate to ensure the completeness and accuracy of data submitted to the BOG in support of performance-based funding. However, we found a minor error that resulted in inaccurate information being submitted to the BOG for a student. Specifically, for metric 9 (percent of bachelor's degrees without excess hours), we identified one student who should not have had excess hours because too many of his transfer credits were marked toward the degree in error. This error was **immaterial** (less than one percent of courses tested) and had **no impact** on UCF's overall ranking among SUS institutions.

We believe that our audit can be relied upon by the university president and the UCF Board of Trustees as a basis for certifying the representations made to the BOG related to the integrity of data required for the BOG performance-based funding model.

Audit Performance Metrics

Beginning of audit: July 3, 2019

End of fieldwork: December 18, 2019

Audit Team Members:

Vicky Sharp, senior auditor, auditor in charge

Vallery Morton, audit manager, level I reviewer

Robert Taft, chief audit executive, level II reviewer

ITEM: AUD-3

**UCF BOARD OF TRUSTEES
February 20, 2020**

Title: Performance-based Funding Data Integrity Certification Form

Background:

As an annual requirement, UCF is required to complete a Performance-based Data Integrity Certification Form affirming the results of the completed audit report (AUD-2) and that all representations included in the Performance Data Integrity Certification Form have been fulfilled.

After approval of the form by the committee and subsequent approval by the full UCF Board of Trustees, this document is to be signed by the university president and the UCF Board of Trustees Chair and is to be submitted to the Board of Governors' Office of Inspector General and Director of Compliance no later than March 1, 2020.

Issues to be Considered:

To determine if the form achieves the objective of complying with the Board of Governors' reporting requirements and accurately expresses the results of the audit and the attestations being made by the university including documentation of any significant exceptions or concerns.

Alternatives to Decision:

Elect not to approve the form and/or require additional work be performed by University Audit along with a formal request to the Board of Governors for a filing extension.

Fiscal Impact and Source of Funding:

Cost to UCF is internal representing the hours spent by University Audit and other departments in completing the audit and reviewing the results.

Recommended Action:

Approval for submission of the Performance-based Funding Data Integrity Certification Form to the Board of Governors.

Authority for Board of Trustees Action:

The Florida Board of Governors' Data Integrity Certification process which was established in June 2014.

Contract Reviewed/Approved by General Counsel:

N/A

Committee Chair or Chair of the Board approval:

Chair Joseph Conte has approved adding this item to the agenda.

Submitted by:

Robert Taft, Chief Audit Executive

Supporting Documentation:

Attachment A: Performance-based Funding Data Integrity Certification Form
Report

Facilitators/Presenters:

Robert Taft, Chief Audit Executive



STATE
UNIVERSITY
SYSTEM
of FLORIDA
Board of Governors

Attachment A
Data Integrity Certification
March 2020

University Name: University of Central Florida

INSTRUCTIONS: Please respond “Yes” or “No” for each representation below. Explain any “No” responses to ensure clarity of the representation you are making to the Board of Governors. Modify representations to reflect any noted **significant or material** audit findings.

Data Integrity Certification Representations			
Representations	Yes	No	Comment / Reference
1. I am responsible for establishing and maintaining, and have established and maintained, effective internal controls and monitoring over my university's collection and reporting of data submitted to the Board of Governors Office which will be used by the Board of Governors in Performance Based Funding decision-making and Preeminence or Emerging Preeminence Status.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
2. These internal controls and monitoring activities include, but are not limited to, reliable processes, controls, and procedures designed to ensure that data required in reports filed with my Board of Trustees and the Board of Governors are recorded, processed, summarized, and reported in a manner which ensures its accuracy and completeness.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
3. In accordance with Board of Governors Regulation 1.001(3)(f), my Board of Trustees has required that I maintain an effective information system to provide accurate, timely, and cost-effective information about the university, and shall require that all data and reporting requirements of the Board of Governors are met.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
4. In accordance with Board of Governors Regulation 3.007, my university shall provide accurate data to the Board of Governors Office.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
5. In accordance with Board of Governors Regulation 3.007, I have appointed a Data Administrator to certify and manage the submission of data to the Board of Governors Office.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

Data Integrity Certification

Data Integrity Certification Representations			
Representations	Yes	No	Comment / Reference
6. In accordance with Board of Governors Regulation 3.007, I have tasked my Data Administrator to ensure the data file (prior to submission) is consistent with the criteria established by the Board of Governors Data Committee. The due diligence includes performing tests on the file using applications, processes, and data definitions provided by the Board Office.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
7. When critical errors have been identified, through the processes identified in item #6, a written explanation of the critical errors was included with the file submission.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
8. In accordance with Board of Governors Regulation 3.007, my Data Administrator has submitted data files to the Board of Governors Office in accordance with the specified schedule.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The 2017 HTD file was delayed due to continuing programming logic challenges with the new degree audit system. We kept the BOG informed of our delays and the submission delay did not have any adverse impact on any of the data processing for the Accountability Plan.
9. In accordance with Board of Governors Regulation 3.007, my Data Administrator electronically certifies data submissions in the State University Data System by acknowledging the following statement, "Ready to submit: Pressing Submit for Approval represents electronic certification of this data per Board of Governors Regulation 3.007."	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
10. I am responsible for taking timely and appropriate preventive/ corrective actions for deficiencies noted through reviews, audits, and investigations.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
11. I recognize that Board of Governors' and statutory requirements for the use of data related to the Performance Based Funding initiative and Preeminence or Emerging Preeminence status consideration will drive university policy on a wide range of university operations – from admissions through graduation. I certify that university policy changes and decisions impacting	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

Data Integrity Certification

data used for these purposes have been made to bring the university's operations and practices in line with State University System Strategic Plan goals and have not been made for the purposes of artificially inflating the related metrics.			
Data Integrity Certification Representations			
Representations	Yes	No	Comment / Reference
12. I certify that I agreed to the scope of work for the Performance Based Funding Data Integrity Audit and the Preeminence or Emerging Preeminence Data Integrity Audit (if applicable) conducted by my chief audit executive.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
13. In accordance with section 1001.706, Florida Statutes, I certify that the audit conducted verified that the data submitted pursuant to sections 1001.7065 and 1001.92, Florida Statutes [regarding Preeminence and Performance-based Funding, respectively], complies with the data definitions established by the Board of Governors.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

Data Integrity Certification Representations, Signatures
<p>I certify that all information provided as part of the Board of Governors Data Integrity Certification for Performance Based Funding and Preeminence or Emerging Preeminence status (if applicable) is true and correct to the best of my knowledge; and I understand that any unsubstantiated, false, misleading, or withheld information relating to these statements render this certification void. My signature below acknowledges that I have read and understand these statements. I certify that this information will be reported to the board of trustees and the Board of Governors.</p> <p>Certification: _____ Date _____</p> <p style="margin-left: 40px;">President</p>

Data Integrity Certification

I certify that this Board of Governors Data Integrity Certification for Performance Based Funding and Preeminence or Emerging Preeminence status (if applicable) has been approved by the university board of trustees and is true and correct to the best of my knowledge.

Certification: _____ Date _____
Board of Trustees Chair

ITEM: EP-1

UCF BOARD OF TRUSTEES

February 20, 2020

Title: Tenure with Hire

Background:

New faculty members are hired each year with tenure. Normally, such faculty members have earned tenure at their previous institution and meet UCF's requirements for tenure. For others, tenure is part of the hiring package when senior faculty members are hired for administrative positions. Department faculty members and the university's administrative officers have approved granting tenure to these faculty members.

The recommendation of a faculty member for tenure shall signify that the president and the Board of Trustees believe that the employee will continue to make significant and sustained professional contributions to the university and the academic community.

The primary purpose of tenure is to protect academic freedom. The award of tenure shall provide annual reappointment until voluntary resignation, retirement, removal for just cause, or layoff.

Issues to be Considered:

Please refer to Attachment A - Tenure with Hire Justification.

Alternatives to Decision:

N/A

Fiscal Impact and Source of Funding:

Faculty are considered employees of the university and like other employees, compensation is negotiated during the hiring process. Recommendations for tenure are considered independently from compensation. Faculty who are awarded tenure will have annual reappointment until voluntary resignation, retirement, removal for just cause, or layoff.

Recommended Action:

The department, college and Provost support the recommendations for tenure with hire.

Authority for Board of Trustees Action:

UCF 3.015(4)(a)5 – Promotion and Tenure of Tenured and Tenure-earning Faculty

Contract Reviewed/Approved by General Counsel:

N/A

Committee Chair or Chair of the Board approval:

Chair Kenneth Bradley has approved adding this item to the agenda.

Submitted by:

Jana L. Jasinski

Vice Provost for Faculty Excellence and Pegasus Professor of Sociology

Supporting Documentation:

Attachment A: Tenure with Hire Justification

Facilitator:

Michael D. Johnson

Interim Provost and Vice President for Academic Affairs

Attachment A

**Tenure with Hire Justification
Board of Trustees
Educational Programs Committee
February 6, 2020**

**Carolina Cruz-Neira, Professor
College of Engineering and Computer Science, Department of Computer Science**

Dr. Carolina Cruz-Neira received her Ph.D. in systems engineering from Universidad Metropolitana, Venezuela. She comes to UCF from the University of Arkansas at Little Rock, where she was a tenured professor of information science. At UCF, she will serve as the Agere Chair in the Department of Computer Science. While at University of Arkansas, Dr. Cruz-Neira held the position of Donaghey Distinguished Professor in Information Science, Executive Director of the Emerging Analytics Center, and served as Interim Chair of Computer Science. She is a member of the National Academy of Engineering (since 2018), has been inducted as an ACM “*Computer Graphics Pioneer*,” is a recipient of the IEEE VGTC Virtual Reality Technical Achievement Award, and the Distinguished Career Award from the International Digital Media & Arts Society. Her research is in Virtual Reality (VR) and Augmented Reality (AR). Dr. Cruz-Neira has numerous peer reviewed journal articles, presented at regional, national, and international conferences, and keynote addresses. She has extensive teaching experience at the undergraduate and graduate levels, having taught and developed courses in introduction to augmented reality, fundamentals of virtual reality, and mobile application development. Dr. Cruz-Neira serves as *Frontiers in Virtual Reality Journal* chief editor for VR and Industry, among many other service activities in the profession, college, and university. The Department of Computer Science and College of Engineering and Computer Science support the recommendation for tenure with hire.

**Dirk Reiners, Associate Professor
College of Engineering and Computer Science, Department of Computer Science**

Dr. Dirk Reiners received his Ph.D. in computer science from Technical University Darmstadt, Germany. He comes to UCF from the University of Arkansas at Little Rock, where he was a tenured associate professor of information science. While at University of Arkansas, Dr. Reiners held the position of Chief Scientist of the Emerging Analytics Center. He is the chief technology officer of the startup CG Heroes, LLC. Dr. Reiners is the recipient of the Sikorsky Entrepreneurial Challenge and won best paper awards at IEEE Virtual Reality (VR) and IITSEC conferences. He has received funding from NSF (National Science Foundation), Fraunhofer, and BMBF (Federal Ministry of Education and Research, Germany). Dr. Reiners has numerous peer reviewed journal articles, conference proceedings, and book chapters. Dr. Reiners has extensive teaching experience at the undergraduate and graduate levels, having taught and developed courses in augmented reality, introduction to object-oriented programming, and information visualization. He has graduated multiple doctoral and masters students. Dr. Reiners has served as IEEE VR chair for workshops, ICAT-EGVE program chair, and *Computers & Graphics* associate editor and reviewer, among many other service activities in the profession, college, and university. The Department of Computer Science and College of Engineering and Computer Science support the recommendation for tenure with hire.

ITEM: EP-2

UCF BOARD OF TRUSTEES
February 20, 2020

Title: Approval of New Degree Program – Master of Science in Computer Vision

Background:

All graduate degree programs utilizing a new CIP Code are required to be reviewed and approved by the Board of Trustees.

Issues to be Considered:

- **Program Description:** The Master of Science in Computer Vision (MSCV) program aims to provide technical skills and domain knowledge to the future professionals who seek to acquire expertise in Computer Vision and its related areas. This involves proficiency in acquiring, processing, analyzing, and understanding images, videos, 3D data, and other types of high-dimensional data of the real world.
- **Benefits:** The MSCV program supports UCF's goal of achieving international prominence in key programs of graduate study and research, as it will help make both Computer Science at UCF better able to attract faculty and will help attract research funding from national and local agencies and companies. UCF's Computer Vision graduate program is ranked 5th in the USA and 10th in the world (see <http://csrankings.org/#/index?vision>). The proposed program supports UCF's goal of collaborating with industry, because industrial-vision companies will find interesting opportunities to strengthen their ties to UCF by pursuing synergistic research and recruiting trainees who are tailored to the needs of industry. The workforce training aspect of the program also contributes to UCF's goal of becoming America's leading partnership university. Several aspects of the degree program, in particular the final project, will connect with the industries in the local area.
- **Career/Workforce Needs:** The fast-growing interests and investments in Artificial Intelligence (AI) in the United States and around the world have to be powered by a well-prepared workforce, which includes the area of computer vision as an important support field. A Forbes article from June 2018 reported, "There are about 300,000 AI professionals worldwide, but millions of roles available."* The US Bureau of Labor Statistics estimates a 19% growth between 2016 and 2026 for computer and information research scientists, which includes Computer Vision engineers. Indeed's "The Best Jobs in the U.S.: 2019" study shows that Computer Vision Engineer is the 13th best job of 2019 with a 116% growth in number of postings from 2015-2018 and an average base salary of \$158,303. Recent Ph.D. graduates of the Center for Research in Computer Vision at UCF have gone on to work for tech giants like Amazon, Apple, Google, Microsoft and Netflix with some even earning more than \$300k starting salary.

*Marr, Bernard, "The AI Skills Crisis And How To Close The GAP", Forbes, June 25, 2018.

Alternatives to Decision:

There is no alternative if this degree program is not approved. The track will remain in the broader degree program.

Fiscal Impact and Source of Funding:

No new funds requested. E&G reallocation from within the college.

Recommended Action:

The Provost's office recommends Board of Trustees approval of the new degree program. The program met all eight BOG criteria, five with strength.

Authority for Board of Trustees Action:

BOG Regulation 8.011 – Authorization for New Academic Degree Programs and Other Curricular Offerings.

Contract Reviewed/Approved by General Counsel:

N/A

Committee Chair or Chair of the Board approval:

Chair Kenneth Bradley has approved adding this item to the agenda.

Submitted by:

Michael D. Johnson

Interim Provost and Vice President for Academic Affairs

Supporting Documentation:

Attachment A: Analysis Summary for New Degree Authorization – Computer Vision

Facilitator:

Timothy Letzring, Senior Associate Provost for Academic Affairs

Attachment A

Analysis Summary for New Degree Authorization
Program Name: Computer Vision MS

	Criteria	Proposal Response to Criteria
1.	The goals of the program are aligned with the university's mission and relate to specific institutional strengths.	Met with Strength The program supports UCF's goal of international prominence in key programs of graduate study and research. It is a STEM program. The program plans to create partnerships with industry for their independent study courses and for graduates of the program. The program will train students for the workforce in industry.
2.	If there have been program reviews or accreditation activities in the discipline or related disciplines pertinent to the proposed program, the proposal provides evidence that progress has been made in implementing the recommendations from those reviews.	Met The computer vision and computer science disciplines are not reviewed by an accrediting body. The College of Engineering and Computer Science is currently under a 7-year review. Its prior 7-year program review had seven recommendations. The program has taken several steps to address these recommendations, included adjusting the faculty workload policy, hiring of addition of faculty into open lines, increasing faculty diversity, and efforts to better advertise and attract high-quality domestic and international students.
3.	The proposal describes an appropriate and sequenced course of study. Admissions and graduation criteria are clearly specified and appropriate. The course of study and credit hours required may be satisfied within a reasonable time to degree. In cases in which accreditation is available for existing bachelor's or master's level programs, evidence is provided that the programs are accredited, or a rationale is provided as to the lack of accreditation.	Met The course sequence is clearly listed along with the anticipated sequence for students entering in the Fall term and all courses are already offered as part of other degree programs. Likewise, admissions standards are clearly described and the requirements for graduation of properly defined. The degree requires a total of 30 credit hours that can be satisfied within a reasonable time for a MS degree.
4.	Evidence is provided that a critical mass of faculty members is available to initiate the program based on estimated enrollments, and that, if appropriate, there is a commitment to hire additional faculty members in later years, based on estimated enrollments. For doctoral programs, evidence is provided that the faculty members in aggregate have the necessary experience and research activity to sustain a doctoral program.	Met The program utilizes 10 faculty members, five already tenured in the department, and one forecast hire, sufficient to support the proposed program. The Committee felt that the impact on the existing Computer Science MS degree could have been addressed.

	Criteria	Proposal Response to Criteria
5.	Evidence is provided that the necessary library volumes and serials; classroom, teaching laboratory, research laboratory, office, and any other type of physical space; equipment; appropriate fellowships, scholarships, and graduate assistantships; and appropriate clinical and internship sites are sufficient to initiate the program.	Met with Strength The existing library and physical space are adequate for the program. Existing classrooms have capacities that exceed the targeted steady state headcount of students.
6.	Evidence is provided that there is a need for more people to be educated in this program at this level. For all degree programs, if the program duplicates other degree programs in Florida, a convincing rationale for doing so is provided. The proposal contains realistic estimates of headcount and FTE students who will major in the proposed program and indicates steps to be taken to achieve a diverse student body.	Met with Strength There are no other computer vision master's programs in the State University System in Florida. Strong growth in the job market for students with Computer Vision MS degrees is forecast, with the US Bureau of Labor estimating a 19% growth between 2016-2026 for computer and information research scientists. The headcount is reasonable, and the College already participates in various diversity outreach efforts.
7.	The proposal provides a complete and realistic budget for the program, which reflects the text of the proposal, is comparable to the budgets of similar programs, and provides evidence that, in the event that resources within the institution are redirected to support the new program, such a redirection will not have a negative impact on undergraduate education. The proposal demonstrates a judicious use of resources and provides a convincing argument that the output of the program justifies the investment.	Met with Strength The budget is both modest and realistic, and comparable to other programs. The program leverages existing faculty and courses, both having the necessary capacity to support the proposed program. The Committee did not feel that the reallocated budget and resources required for the proposed program will have a negative impact on other degree programs or undergraduate education.
8.	The proposal provides evidence that the academic unit(s) associated with this new degree have been productive in teaching, research, and service.	Met with Strength The Faculty are productive in all aspects. The faculty that will be participating in the department have a strong track record of research funding, dissemination, teaching, and student advisement.

UCF BOARD OF TRUSTEES
February 20, 2020

Title: Approval of New Degree Program – Ph.D. in Sustainable Coastal Systems

Background:

All graduate degree programs utilizing a new CIP Code are required to be reviewed and approved by the Board of Trustees. The College of Graduate Studies is proposing a new degree program for CIP Code 30.3301 (Sustainability Studies). This was approved at the July 18, 2019 EPC and full Board of Trustees meetings. Re-approval is necessary for alignment with Board of Governor's deadlines for doctoral programs.

Issues to be Considered:

- **Program Description:**
 The proposed Doctorate in Sustainable Coastal Systems is intended to address the need for well-trained professionals in a field that is by its nature interdisciplinary. As the transition zone between the land and the sea, the coast gives rise to complex issues in science, technology, and public policy. Individuals involved in coastal research, management and policy-making need to be well-versed in wide range of disciplines. The proposed program will provide them with the knowledge and experience for working with coastal professionals in a variety of fields.

- **Benefits:**
 Coastal areas are the most heavily populated and economically vibrant regions of the world; however, these regions are uniquely threatened by climate change and associated impacts. The state of Florida is already experiencing these impacts, as evidenced by increasingly common sunny-day coastal flooding, chronic harmful algae blooms, and the devastation brought by storms such as the recent Hurricanes Irma and Michael. The central objective of the interdisciplinary doctorate in Sustainable Coastal Systems is to train the next generation of students who combine a rigorous disciplinary depth with the ability to reach out to other disciplines and work in interdisciplinary teams.

- **Career/Workforce Needs:**
 The degree program will focus on advanced education in the human and natural processes and components that comprise, affect, and modify coastal systems. It will provide students with rigorous quantitative training in the methods employed by professionals in these fields, along with expertise in broader social and scientific theory. Students will enter with degrees in the physical, natural, or social sciences, or engineering, and will be prepared for careers in research and public policy. Based on recent National Science Foundation data, fewer than half will pursue careers in academia. The majority will be employed in private industry, NGOs and government. The US population, and especially that of Florida, has been increasingly concentrated along the coast. More than 40% of the U.S. population resides in coastal counties, which generated 46% (\$7.9 trillion) of the country's GDP in 2017. As a

consequence, there exists an ever-expanding demand for focused research and policy development to maintain the integrity and quality of the natural resources that make these areas an essential part of our society. The U.S. expends over \$200 billion annually on environmental protection and conservation. The U.S. Bureau of Labor Statistics projects employment of environmental scientists and specialists to grow by 11% over the next ten years, faster than the average for all occupations.

Alternatives to Decision:

There is no obvious alternative if this degree program is not approved.

Fiscal Impact and Source of Funding:

No new funds are requested. E&G reallocation is between several departments based on the interdisciplinary nature of the program.

Recommended Action:

The Provost's office recommends Board of Trustees approval of the new degree program. It meets six of the eight BOG criteria with strength and meets the expectations of the remaining criteria.

Authority for Board of Trustees Action:

BOG Regulation 8.011 – Authorization of New Academic Degree Programs and Other Curricular Offerings.

Committee Chair or Chair of the Board approval:

Chair Kenneth Bradley has approved adding this item to the agenda.

Submitted by:

Michael D. Johnson

Interim Provost and Vice President for Academic Affairs

Supporting Documentation:

Attachment A: Analysis Summary for New Degree Authorization – Public Administration

Facilitator:

Timothy Letzring, Senior Associate Provost for Academic Affairs

Attachment A

Analysis Summary for New Degree Authorization
Program Name: Sustainable Coastal Systems PHD

	Criteria	Proposal Response to Criteria
1.	The goals of the program are aligned with the university's mission and relate to specific institutional strengths.	Met with Strength The program will be affiliated with the National Center for Integrated Coastal Research and administered out of the College of Graduate Studies. The program supports UCF's interdisciplinary approach to solve societal problems; it incorporates seven colleges and 12 departments and schools. Admitted students are expected to have diverse academic backgrounds to build interdisciplinary teams. The Center has developed partnerships with private industry, NGOs, and both local, state, and federal government agencies. The program will focus in part on global climate change and sea level rise which is a topic of increasing importance for Florida and globally. This program is an academic component of the Sustainable Coastal Systems Cluster which was part of UCF's Faculty Cluster Initiative.
2.	If there have been program reviews or accreditation activities in the discipline or related disciplines pertinent to the proposed program, the proposal provides evidence that progress has been made in implementing the recommendations from those reviews.	N/A The proposed program is unique and interdisciplinary; thus, there is not an accrediting organization. Existing graduate degree programs in departments affiliated with the proposed program have undergone regular reviews as part of the 7-year cycle.
3.	The proposal describes an appropriate and sequenced course of study. Admissions and graduation criteria are clearly specified and appropriate. The course of study and credit hours required may be satisfied within a reasonable time to degree. In cases in which accreditation is available for existing bachelor's or master's level programs, evidence is provided that the programs are accredited, or a rationale is provided as to the lack of accreditation.	Met with Strength A detailed list and sequence of courses is provided to outline the program's curriculum. The 72-credit hour program includes 12 credit hours representing five new core courses. These have been approved by the Graduate Council Curriculum Committee. The proposal includes detailed syllabi for the core courses. The students can choose their curricular path a variety of elective courses. These include specializations in Anthropology, Biology, Civil Engineering, Economics, Political Science, Public Administration, Technical Communication, and Tourism.
4.	Evidence is provided that a critical mass of faculty members is available to initiate the program based on estimated enrollments, and that, if appropriate, there is a commitment to hire additional faculty members in later years based on estimated enrollments. For doctoral programs, evidence is provided that the faculty members in aggregate have the necessary experience and research activity to sustain a doctoral program.	Met with Strength A total of 24 UCF faculty members, all with graduate faculty status, will be associated with the program. These faculty can serve as dissertation committee members and chairs. Six core faculty will be the primary instructors for the core courses (plus the Center Director and Graduate Program Coordinator). An extensive list of the faculty's acquired funding and research experience is included with the proposal and is indicative of successful grantsmanship.

	Criteria	Proposal Response to Criteria
5.	Evidence is provided that the necessary library volumes and serials; classroom, teaching laboratory, research laboratory, office, and any other type of physical space; equipment; appropriate fellowships, scholarships, and graduate assistantships; and appropriate clinical and internship sites are sufficient to initiate the program.	Met with Strength The library review states that current resources are adequate to meet the needs of students in the program. The Center has the appropriate physical resources in place for research and laboratory space. There is a possibility of future expansion to a handful of partnering field stations/educational facilities around the state. Graduate Research Assistantships will primarily be used to fund students; however, the program is seeking endowed scholarships and fellowships through the foundation to augment student support.
6.	Evidence is provided that there is a need for more people to be educated in this program at this level. For all degree programs, if the program duplicates other degree programs in Florida, a convincing rationale for doing so is provided. The proposal contains realistic estimates of headcount and FTE students who will major in the proposed program and indicates steps to be taken to achieve a diverse student body.	Met with Strength The proposal demonstrated that there is a need graduates in this field. The Bureau of Labor Statistics projects an increased demand of environmental scientists for the foreseeable future. The committee indicated that more documentation is needed to strengthen this area of the proposal. The committee suggests more letters of support from industry partners/potential employers should be added to the proposal. These partners could provide a source of internships.
7.	The proposal provides a complete and realistic budget for the program, which reflects the text of the proposal, is comparable to the budgets of similar programs, and provides evidence that, in the event that resources within the institution are redirected to support the new program, such a redirection will not have a negative impact on undergraduate education. The proposal demonstrates a judicious use of resources and provides a convincing argument that the output of the program justifies the investment.	Met The committee suggests that the overhead return FCI monies be considered to support students who will not have the opportunity to serve as Graduate Teaching Assistants, or are experiencing a funding gap, or where there is no Graduate Research Assistant funding available. The proposal should show evidence that Graduate Research Assistant funding will support the projected number of graduate students to be enrolled in the program. The program should explore opportunities for paid internships with state, local, and federal government agencies and partnering industries.
8.	The proposal provides evidence that the academic unit(s) associated with this new degree have been productive in teaching, research, and service.	Met with Strength The associated faculty have been very productive in teaching, research, and service. Detailed information of their accomplishments is listed in the proposal. The faculty have a successful track record of mentoring PhD students and acquiring external funding.

ITEM: FF-1

**UCF BOARD OF TRUSTEES
February 20, 2020**

Title: L3Harris Engineering Center External Building Signage Change

Background:

L3 and Harris Corporation merged in 2018. They are now ready to officially change their name to L3Harris in all spaces that hold their name, include the Harris Engineering Center (Engineering III Building #116) on the UCF Main Campus. The signage on the external façade of the building will be changed to L3Harris Engineering Center at the donor's expense. The signage is designed to be similar to existing signage that it will replace.

Issues to be Considered:

L3Harris will pay for the full expense of changing the external signage on the building. UCF Facilities has been briefed, and UCF has obtained three separate estimates from three vendors to bid on the project. The installation is expected in December 2019, with a re-grand opening media event of the building hosted in January 2020.

L3Harris (naming donor for the Harris Engineering Center) named the building with a \$3 million philanthropic commitment to the UCF Foundation in 2005. At that time, the Board of Trustees approved the naming of the building with no limitation as to the life of the naming. Therefore, UCF must honor the naming, as the donor wishes to change the name to their current brand.

Alternatives to Decision:

1. Reject the renaming and request staff to submit a different name for the building.
2. Reject the renaming and keep the current building name.

Fiscal Impact and Source of Funding:

This effort will only change the external signage and any reference to the industry partner in other spaces and collateral on campus as needed. L3Harris will pay for all expenses for the signage change and installation.

Recommended Action:

Approve the change in signage from the Harris Corporation Engineering Center to L3Harris Engineering Center.

Authority for Board of Trustees Action:

Delegation of Authority to the President, Items requiring specific authority of the Board, 18. Naming of Buildings

Contract Reviewed/Approved by General Counsel:

N/A

Committee Chair or Chair of the Board approval:

Chair Alex Martins approved adding this item to the agenda.

Submitted by:

Misty Shepherd, Interim Vice President for Administrative Affairs and Chief Operating Officer
Robin Knight, Executive Director of Development, UCF College of Engineering and Computer Science,
UCF Foundation

Supporting Documentation:

Attachment A: Original Gift Agreement from Harris Corporation

Facilitators/Presenters:

Robin Knight, Executive Director of Development, UCF College of Engineering and Computer Science,
UCF Foundation

Attachment A

Confidential Information (FS 1004.28.5)



UCF Foundation, Inc.

**University of Central Florida Foundation, Incorporated
MEMORANDUM OF UNDERSTANDING**

To establish the

Harris Corporation Hall

This agreement is made on this 17th day of May 2005, and entered into between the Harris Corporation, Inc. (hereinafter called "Donor") and the University of Central Florida Foundation, Incorporated (hereinafter called "Foundation"), a 501(c)(3) non-profit organization.

The Gift

The Donor plans to make a charitable gift of \$3 million to assist the University of Central Florida with the enhancement of the College of Engineering and Computer Science's newest facility, Engineering III. This gift will have a transformational impact on the college, the School of Computer Science and the Department of Electrical and Computer Engineering. This gift will allow the college to provide students and faculty with a state-of-the-art facility that will create an optimal teaching and research environment.

Upon written agreement of the \$3 million commitment among the Donor, the Foundation and the University, the UCF Board of Trustees will receive a recommendation for the naming of Harris Corporation ~~Hall (hereafter called the "Hall")~~. Such naming will be conditioned upon the fulfillment of the commitment. → **ENGINEERING CENTER**

It is anticipated that the gift of \$3 million will qualify for state matching funds from the Alec P. Courtelis Capital Facilities Enhancement Challenge Grant Program. This match will provide an additional \$3 million, which will create a total of \$6 million in gift resources for facility enhancement. The funds will be used to enhance equipment and furnishings in the Hall.

Payment Schedule

The Donor will make an initial contribution of \$600,000 on or before June 30, 2005. The Donor will make annual contributions of \$600,000 thereafter over the next four years on or before the anniversary date of the initial gift. The payment schedule will be as follows:

- \$600,000 due on or before June 30, 2006
- \$600,000 due on or before June 30, 2007
- \$600,000 due on or before June 30, 2008
- \$600,000 due on or before June 30, 2009

Confidential Information (FS 1004.28.5)

The Foundation will submit a request for matching funds from the Alec P. Courtelis University Facilities Enhancement Challenge Grant Program in accordance with the submission guidelines.

Additional Considerations

The signers acknowledge that at some time in the future the scope of the program described in this document may change. In that event, the Foundation, with the Donor's or a representative's approval, may authorize a change. If the Donor or a representative is no longer available, the Foundation will make the determination based on the recommendations of the Dean of the College of Engineering and Computer Science. Such changes will relate as closely as possible to the original intent of the Donor.

The Foundation shall be the absolute owner of this fund. The Foundation and the College of Engineering and Computer Science will use reasonable care in administering the funds according to the terms of this agreement.

NEH
FOUNDATION
 Harris Corporation, Inc.

By: *Howard Lance* Date: 6/8/05
 Howard Lance, Chief Executive Officer *NEH*
 TRUSTEE, PRESIDENT

By: *Nick Heldreth* Date: 6/8/05
 Nick Heldreth, Vice President of Human Resources and Corporate Relations
 TRUSTEE, VICE PRESIDENT *NEH*

University of Central Florida

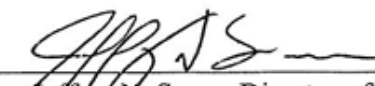
By: *Neal Gallagher* Date: 6-13-05
 Neal Gallagher, Dean - College of Engineering and Computer Science

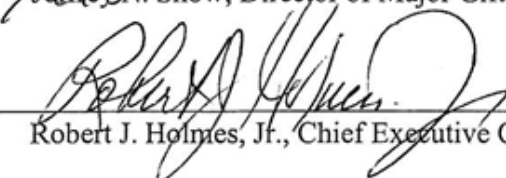
By: *Terry Hickey* Date: 6/14/05
 Terry Hickey, Provost

By: *John C. Hitt* Date: 6/14/05
 John C. Hitt, President

Confidential Information (FS 1004.28.5)

University of Central Florida Foundation, Incorporated

By:  Date: 6/13/05
Jeffrey N. Snow, Director of Major Gifts - College of Engineering and Computer Science

By:  Date: 6/13/05
Robert J. Holmes, Jr., Chief Executive Officer

ITEM: FF-2

**UCF BOARD OF TRUSTEES
February 20, 2020**

Title: Health and Public Affairs Buildings Name Change

Background:

On July 1, 2018, the former College of Health and Public Affairs and the College of Education and Human Performance were reorganized and repurposed into the College of Health Professions and Sciences and the College of Community Innovation and Education (see Attachment B). The requesting college, the College of Health Professions and Sciences, became a new interdisciplinary college with health degrees. The occupants in HPA I and HPA II are predominantly health science programs from the College of Health Professions and Sciences and the College of Medicine, Burnett School of Biomedical Sciences.

Also occupying the buildings are the (a) Department of Criminal Justice attached to the College of Community Innovation and Education (CCIE; HPA I), (b) Cyber Security Cluster (HPA I and II), and (c) Learning Sciences Cluster (HPA II). UCF designated the building liaisons for HPA I and HPA II from the Colleges of Health Professions and Sciences (HPA I, HPA II) and College of Medicine (HPA II). Table 1 (see Attachment C), which details the type of space, square footage, and student population for each college, program, and cluster, establishes that the majority of HPA I and HPA II buildings are occupied by faculty, staff, and students from health science colleges.

Issues to be Considered:

The renaming of the Health and Public Affairs Building I (Building 80) and the Health and Public Affairs Building II (Building 90) to the Health Sciences I (Building 80) and the Health Sciences II (Building 90), respectively.

Alternatives to Decision:

1. Reject the renaming and request staff to submit a different name for the building.
2. Reject the renaming and keep the current building name.

Fiscal Impact and Source of Funding:

Replacing the external signage on the existing buildings will cost approximately \$25,000. The signage will be funded from an existing College of Health Professions and Sciences auxiliary account.

Recommended Action:

Approve the name change for the Health and Public Affairs Building I (Building 80) and the Health and Public Affairs Building II (Building 90) to the Health Sciences I (Building 80) and the Health Sciences II (Building 90), respectively.

Authority for Board of Trustees Action:

Delegation of Authority to the President, Items requiring specific authority of the Board, 18. Naming of Buildings

Contract Reviewed/Approved by General Counsel:

N/A

Committee Chair or Chairman of the Board approval:

Chair Alex Martins has approved adding this item to the agenda.

Submitted by:

Misty Shepherd, Interim Vice President for Administrative Affairs and Chief Operating Officer
Matthew Munyon, Director, Planning and Knowledge Management, College of Health Professions and Sciences

Supporting Documentation:

Attachment A: Current Building Signage
Attachment B: Name Change Announcement
Attachment C: Table 1 Space Data

Facilitators/Presenters:

Misty Shepherd, Interim Vice President for Administrative Affairs and Chief Operating Officer
Matthew Munyon, Director, Planning and Knowledge Management, College of Health Professions and Sciences

Attachment A



Attachment B

- University of Central Florida News | UCF Today - <https://today.ucf.edu> -

UCF's Academic Realignment Continues with New Names for Colleges, School
Posted By Christine Dellert '06 '15MA On March 20, 2018 @ 7:52 am In Colleges & Campus News | [Comments Disabled](#)

Beginning in July, UCF will have two new colleges and a new interdisciplinary, inter-college school, bringing together programs in key areas where the university excels.

The new colleges and school are part of an [academic reorganization launched last year](#) ^[1] to position UCF as a leader in driving 21st-century health care solutions, living and thriving in urban environments and creating and communicating content across multiple and emerging platforms.

The changes will provide new opportunities for interdisciplinary learning and research and best prepare students for the world after graduation.

The new names of the colleges and school are:

- **College of Health Professions and Sciences**
- College of Community Innovation and Education
- Nicholson School of Communication and Media

“By leveraging our talents and ideas in these emerging areas, UCF will be a national leader in 21st-century education and changing how we think about learning and discovery to tackle complex issues and real-world challenges in health care, urban innovation, education and communication,” said Provost and Executive Vice President Dale Whittaker, who initiated the reorganization in August.

The [new colleges and school](#) ^[2] will be made up of existing academic programs and take effect on July 2, 2018. The changes also mean that the College of Education and Human

Performance and College of Health and Public Affairs will no longer exist, as programs, centers and institutes will be realigned in the new colleges.

The College of Health Professions and Sciences ^[2] will become part of the newly created Academic Health Sciences Center ^[3] with the College of Medicine and College of Nursing. It will include health-related programs, such as physical therapy, sport and exercise science (now called kinesiology), athletic training, social work, health sciences and communication sciences and disorders.

Eventually, programs in the College of Health Professions and Sciences will relocate to Lake Nona, but no earlier than 2020.

The College of Community Innovation and Education ^[2] will focus on the pillars of thriving, modern cities, such as civic engagement and governing, safety and justice, and health and well-being – all of which are grounded in transformative education. It will include public administration, public affairs, legal studies, criminal justice, health management and informatics, and education programs. Previously, Architecture was going to realign here, but now will stay in the College of Arts and Humanities.

The new Nicholson School of Communication and Media ^[2] will redefine content creation, digital media and communication for the 21st century. It will bring together programs from the current Nicholson School of Communication ^[4] and digital media and film from the School of Visual Arts and Design ^[5] into a new interdisciplinary, inter-college model, joining with the Florida Interactive Entertainment Academy ^[6] already located downtown.

Several of the programs in this new college and school will move downtown when UCF Downtown ^[7] opens in fall 2019. Additional programs will relocate downtown later, but dates haven't yet been decided.

Additional resources and “frequently asked questions” about these changes are available on the Provost’s website ^[8], and will be updated as information becomes available.

In the coming weeks, more details will be released about organizational, staffing and leadership structures for the new colleges and school.

Article printed from University of Central Florida News | UCF Today:
<https://today.ucf.edu>

URL to article: <https://today.ucf.edu/ucfs-academic-realignment-continues-newnames-colleges-school/>

URLs in this post:

- [1] academic reorganization launched last year: <https://today.ucf.edu/provostupdate-new-colleges-schools-will-chart-bold-future-ucf/>
- [2] new colleges and school: <https://provost.ucf.edu/files/New-Colleges-and-School-Programs.pdf>
- [3] Academic Health Sciences Center:
https://provost.ucf.edu/files/032018_Academic-Health-Sciences-Center.pdf
- [4] Nicholson School of Communication: <https://sciences.ucf.edu/communication/>
- [5] School of Visual Arts and Design: <http://svad.cah.ucf.edu/>
- [6] Florida Interactive Entertainment Academy: <https://fiea.ucf.edu/>
- [7] UCF Downtown: <https://www.ucf.edu/downtown/>
- [8] Provost’s website: <https://provost.ucf.edu/bold-academic-vision/>

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Attachment C

Table 1: Space Data

Table 1. Detailed Space Type and Amount by College/Unit/Cluster as of Fall 2019					
<i>College/Unit/Cluster</i>	<i>Space Type</i>	<i>Space Amount (ft²)*</i>	<i>Space Percentage</i>	<i>Student Population Count</i>	<i>Student Population Percentage</i>
College of Health Professions and Sciences	Offices, Laboratories	17,450 HPA I	71%	7,124	60%
		12,698 HPA II	37.3%		
		30,148 BOTH	51.5%		
College of Medicine, Burnett School of Biomedical Sciences	Offices, Laboratories	18,296 HPA II	31.3%	3,237	26%
College of Community Innovation and Education	Offices	6,756 HPA I	27%	1,733	14%
Cyber Security Cluster	Offices, Laboratory	210 HPA I	<1% .009	N/A	N/A
		997 HPA II	2.9%		
		1,207 BOTH	2%		
Learning Sciences Cluster	Offices	2,039 HPA II	6.1%	N/A	N/A
Totals					
Health Sciences	HPA I	17,450	71%	10,361	86%
	HPA II	30,994	91%		
	Both	48,444	83%		
Non-Health Sciences	HPA I	6,966	29%	1,733	14%
	HPA II	3,036	9%		
	Both	10,002	17%		
All	HPA I/II	58,446	100%	12,094	100%

* Includes offices and laboratories, excludes classrooms and facilities operations rooms

ITEM: FF-3

**UCF BOARD OF TRUSTEES
February 20, 2020**

Title: Oracle Technical Support Services Agreement Renewal

Background:

UCF IT maintains an ongoing technical support services agreement (software support agreement) with Oracle Corporation in order to obtain timely software updates, security patches, and application changes conforming to new regulatory and tax requirements for the university's enterprise business systems (ERP systems). This support services agreement covers the university's PeopleSoft finance system, human resources system, grants management system, student information system, customer-facing portal (myUCF), and the Oracle databases supporting these applications.

As noted below, the current technical support services agreement expires December 19, 2019. The delay in processing this renewal is attributable to extensive delays in obtaining an actionable proposal and favorable terms from Oracle. Timely consideration by the Board is respectfully requested.

Issues to be Considered:

The preceding technical support services agreement covers the period between December 19, 2014 and December 19, 2019. The proposed new agreement covers December 19, 2019 to December 19, 2022. The advantage of a multi-year agreement is that it provides for no price increases over the stated time span. The agreement now expiring has an annual cost of \$1,998,702.97. The new agreement for which we are now requesting approval is at an annual cost of \$2,038,677.03 per year for a total three-year cost of \$6,116,031.09. The annual cost difference between the old and new agreement is \$39,974.06, or exactly two percent.

Alternatives to Decision:

The board could elect to not approve renewal of the vendor support agreement covering the university's Oracle-PeopleSoft business applications, in which case the university would no longer receive security patches, tax and regulatory updates, and software functionality improvements.

Fiscal Impact and Source of Funding:

The \$2,038,677.03 annual cost of the new Oracle software technical support services agreement will be paid from the UCF IT E&G operating budget.

Recommended Action:

Approval of the new Oracle Technical Support Services Agreement.

Authority for Board of Trustees Action:

Board of Trustees Delegation of Authority to the President, Items requiring specific approval of the Board, contractual obligation with an aggregate net value of five million or more dollars.

Contract Reviewed/Approved by General Counsel:

Scott Cole, Vice President and General Counsel, and Youndy Cook, Deputy General Counsel

Committee Chair or Chairman of the Board approval:

Chair Alex Martins has approved adding this item to the agenda.

Submitted by:

Joel L. Hartman, Vice President and Chief Information Officer

Supporting Documentation:

Attachment A: Contract Summary Form for Oracle Technical Support Services agreement

Facilitators/Presenters:

Joel L. Hartman, Vice President and Chief Information Officer

Summary of Agreement

Purpose/Background	The support services agreement renewal covers the university's PeopleSoft finance system, human resources system, grants management system, student information system, customer-facing portal (myUCF), and the Oracle databases supporting these applications.
Parties	University of Central Florida Board of Trustees and Oracle Corporation
Term	December 19, 2019 to December 19, 2022
Obligations of UCF	\$6,116,031.09 for the three year term
Obligations of other party	Provide software license, technical support services, software updates, security patches, and application changes conforming to new regulatory and tax requirements.
Financial terms	Payment of \$2,038,677.03 per year
Termination rights	<p>Termination for Breach - Under Oracle General Terms – Public Sector 6.1 “If either of us breaches a material term of the Master Agreement and fails to correct the breach within 30 days of written specification of the breach, then the breaching party is in default and the non-breaching party may terminate the Master Agreement. If Oracle terminates the Master Agreement as specified in the preceding sentence, You must pay within 30 days all amounts which have accrued prior to such termination, as well as all sums remaining unpaid for Products ordered and/or Service Offerings received under the Master Agreement plus related taxes and expenses. Except for nonpayment of fees, the non-breaching party may agree in its sole discretion to extend the 30 day period for so long as the breaching party continues reasonable efforts to cure the breach. You agree that if You are in default under the Master Agreement, You may not use those Products or Service Offerings ordered.”</p> <p>Termination for Convenience – Under Oracle General Terms – Public Sector 6.2 “You may terminate this Master Agreement at any time without cause by giving Oracle 30 days prior written notice of such termination. If You end this Master Agreement as specified in the preceding sentence, You agree You must pay within 30 days all amounts</p>

	which have accrued prior to the end of this Master Agreement, as well as all sums remaining unpaid for Products ordered and/or Service Offerings received under this Master Agreement plus applicable related taxes and expenses (if any).”
Additional terms	<p>Fees payable are due within 30 days from the invoice date.</p> <p>Reimbursement of expenses related to the provision of any Service Offering, if any, will be addressed in the relevant ordering document and/or statement of work for such services.</p> <p>Technical Support Policies, including data protection practices, subject to unilateral change.</p>
Link to agreement	https://bot.ucf.edu/files/2019/12/Oracle-Technical-Support-Services-Renewal-1.pdf

ITEM: FF-4

UCF BOARD OF TRUSTEES
February 20, 2020

Title: Parking and Housing 2020-21 Auxiliary Facilities Operating Budgets

Background:

Certain outstanding state university system bond issues for auxiliary facilities have covenants that state: "The Board of Governors shall annually, at least ninety (90) days preceding the beginning of each fiscal year, prepare a detailed budget providing reasonable estimates of the estimated current revenues and expenses of the university during the succeeding fiscal year and setting forth the amount to be deposited in the Maintenance and Equipment Reserve Fund. The budget shall be adopted by the Board of Governors and shall not be changed during the fiscal year except by the same procedure by which it was adopted."

In order to satisfy bond covenant requirements specified above, it is necessary to develop and submit, in advance of the annual submission of institutional budgets in August, operating budget detail approved by the University Board of Trustees for auxiliary facilities with such bond covenants.

Issues to be Considered:

Budget requests were developed using requests from the individual departments and a review of expected revenue, expenditures, and fund balances for each area, along with a comparison to projected and actual amounts from the prior year. Repair and replacement reserve requirements indicate that a balance totaling 30 percent of pledged revenues must be maintained.

In our determination, repair and replacement reserve transfers are needed for each facility for the following amounts:

Parking:

Parking Transfer to Repair & Replacement Reserve	Estimate FY 2019-20	Projected FY 2020-21
Operating revenue	22,744,342	23,112,286
30% reserve requirement	6,823,303	6,933,686
Estimated R&R balance at the end of prior year	6,883,307	6,883,307
Additional reserve transfer needed	-	50,379

Housing:

Housing Transfer to Repair & Replacement Reserve	Estimate FY 2019-20	Projected FY 2020-21
Operating revenue	30,243,350	30,243,350
30% reserve requirement	9,073,005	9,073,005
Estimated R&R balance at the end of prior year	8,588,176	9,073,005
Additional transfer necessary	484,829	-

Alternatives to Decision:

Modify or change proposed budgets for 2020-21.

Fiscal Impact and Source of Funding:

Existing cash and revenues from the Parking and Housing auxiliary facilities.

Recommended Action:

Approve the 2020-21 Parking and Housing Auxiliary Facilities Operating Budgets

Authority for Board of Trustees Action:

Per the Board of Governors amended regulation 9.008 *University Auxiliary Facilities with Outstanding Revenue Bonds*, the operating budget for these facilities is required to be approved by the university's Board of Trustees prior to its submission to the Board of Governors in February.

Contract Reviewed/Approved by General Counsel:

N/A

Committee Chair or Chair of the Board approval:

Chair Alex Martins has approved adding this item to the agenda.

Submitted by:

Joseph Trubacz, Interim Vice President for Financial Affairs and Chief Financial Officer

Supporting Documentation:

Attachment A: 2020-21 Proposed Auxiliary Facilities Operating Budgets- Parking Services

Attachment B: 2020-21 Proposed Auxiliary Facilities Operating Budgets- Housing Operations

Facilitators/Presenters:

Albert Francis, Assistant Vice President for Debt Management

Attachment A

University of Central Florida
2020-21 Proposed Auxiliary Facilities Operating Budget
Parking

	2019-20 Estimated Actuals	2020-21 Proposed Budget	Variance Favorable (Unfavorable)
Revenue			
Student Transportation Fees	\$ 15,193,752	\$ 15,345,690	\$ 151,938
Permit Sales	6,600,590	6,666,596	66,006
Fines and Citations	950,000	1,100,000	150,000
Interest and Investment Earnings ¹	2,132,730	623,854	(1,508,876)
Total Revenue	24,877,072	23,736,140	(1,140,932)
Expenditures			
Salaries and Benefits	1,922,463	1,941,688	(19,225)
Other Personal Services	560,569	566,175	(5,606)
Repairs and Maintenance	708,045	938,045	(230,000)
Utilities	373,598	388,542	(14,944)
Operating Expense ²	11,748,156	10,973,491	774,665
Operating Capital Outlay ³	61,194	176,194	(115,000)
Debt Service ⁴	3,898,378	2,878,000	1,020,378
Transfers:			-
Auxiliary Overhead	1,291,054	1,366,817	(75,763)
Construction	311,954	-	311,954
Replacement Reserve ⁵	-	50,379	(50,379)
Interest and Investment Transfers ¹	2,132,730	623,854	1,508,876
Total Expenditures	23,008,141	19,903,185	3,104,956
Net increase from operations	\$ 1,868,931	\$ 3,832,955	\$ 1,964,024
Ending operating cash	\$ 10,247,847	\$ 14,080,802	\$ 3,832,955
Ending replacement reserves ⁵	6,883,307	6,933,686	50,379
Total cash	\$ 17,131,154	\$ 21,014,488	\$ 3,883,334

¹ The projected decrease in interest and investment earnings is due to realized investment gains recorded in fiscal year 2020 related to the funding of University capital projects in fiscal year 2019. All investment earnings distributed to the auxiliary are transferred back to the University during the year to fund other capital initiatives.

² Operating expense decrease of \$775k is primarily due to \$350k for bus wrap graphics in 2019-20 and a shuttle contract renegotiation at lower rates effective in 2020-21 (approximately \$370k).

³ Operating capital outlay increase of \$115k is related to the purchase of new vehicles with license plate recognition and electric motorcars (GEM carts).

⁴ Debt service is projected to decrease in fiscal year 2021 due to a scheduled decrease in debt service for the Parking Series 2011A bonds plus savings generated from the refunding of the Parking Series 2010B bonds which was completed in February 2020.

⁵ Funds equal to 30% of gross operating revenue must be maintained in reserve. Per the calculation below, Parking has met the 30% funding requirement for fiscal year 2020 and is projecting to make an additional reserve transfer in fiscal year 2021 of \$50K.

	Estimated 2019-20	Projected 2020-21
Parking Transfer to Repair & Replacement Reserve		
Operating revenue	22,744,342	23,112,286
30% reserve requirement	6,823,303	6,933,686
Estimated R&R balance end of prior year	6,883,307	6,883,307
Additional reserve transfer needed	-	50,379

Attachment B

University of Central Florida
2020-21 Proposed Auxiliary Facilities Operating Budget
Housing

	2019-20	2020-21	Variance
	Estimated Actuals	Proposed Budget	Favorable
			(Unfavorable)
Revenue			
Rental Revenue	\$ 27,723,350	\$ 27,723,350	\$ -
Other Revenue	2,520,000	2,520,000	-
Interest and Investment Earnings ¹	1,923,902	525,480	(1,398,422)
Total Revenue	32,167,252	30,768,830	(1,398,422)
Expenditures			
Salaries and Benefits ²	8,156,151	8,686,381	(530,230)
Other Personal Services ²	1,915,053	1,721,463	193,590
Repairs & Maintenance ³	3,169,944	3,320,000	(150,056)
Utilities	2,767,394	2,850,416	(83,022)
Operating Expense	3,688,716	3,747,928	(59,212)
Operating Capital Outlay	90,000	92,700	(2,700)
Debt Service	8,337,250	8,334,025	3,225
Transfers:			-
Auxiliary Overhead	1,990,855	2,000,000	(9,145)
Construction ⁴	1,224,000	1,350,000	(126,000)
Replacement Reserve ⁵	484,829	-	484,829
Interest and Investment Transfers ¹	1,923,902	525,480	1,398,422
Total Expenditures	33,748,094	32,628,393	1,119,700
Net increase (decrease) from operations	\$ (1,580,841)	\$ (1,859,563)	\$ (278,722)
Ending Operating Cash	\$ 7,079,184	\$ 5,219,621	\$ (1,859,563)
Ending Replacement Reserves ⁵	9,073,005	9,073,005	-
Total Cash	\$ 16,152,189	\$ 14,292,626	\$ (1,859,563)

Attachment B (continued)

¹ The projected decrease in interest and investment earnings is due to realized investment gains recorded in fiscal year 2020 related to the funding of University capital projects in fiscal year 2019. All investment earnings distributed to the auxiliary are transferred back to the University during the year to fund other capital initiatives.

² The changes in salaries and benefits and other personnel services (OPS) is due to three new salaried positions plus the conversion of six OPS positions to salaried positions.

³ The following table shows the details of the budgeted repair and maintenance projects for both fiscal years:

Projected Repair and Maintenance Projects	Estimated 2019-20	Projected 2020-21
General repairs & maintenance	1,659,944	1,920,000
Replace chill water HVAC units-Nike & Hercules Communities	500,000	500,000
Renovation of showers in Hercules Community	430,000	-
Fresh Air Introduction Project	300,000	-
Replacement of Brevard, Orange, and Seminole Stairwells	280,000	-
Replacement of Lake Claire Community windows	-	450,000
Exterior painting of Lake Claire	-	250,000
Carpet Replacement Projects	-	200,000
Total Repair and Maintenance	3,169,944	3,320,000

⁴ Construction transfers are for the ongoing ResNet infrastructure upgrade.

⁵ Funds equal to 30% of gross operating revenue (rental & other revenue) must be maintained in reserve. Per the calculation below, Housing is under the estimate for FY20 and the reserve will need to be funded with an additional transfer. The FY21 reserve is sufficient and does not require additional funding.

Housing Transfer to Repair & Replacement Reserve	Estimated 2019-20	Projected 2020-21
Operating revenue	30,243,350	30,243,350
30% reserve requirement	9,073,005	9,073,005
Estimated R&R balance end of prior year	8,588,176	9,073,005
Additional transfer necessary	484,829	-

ITEM: GOV-2

**UCF BOARD OF TRUSTEES
February 20, 2020**

Title: Amendments to University Regulation UCF-4.036 Skateboarding, Skating and Similar Activities on University Property

Background:

Florida Board of Governors Regulation 1.001 provides that “Each Board of Trustees is authorized to promulgate university regulations in accordance with the Regulation Development Procedure adopted by the Board of Governors.”

Issues to be Considered:

The University proposes to amend Regulation UCF-4.036 Skateboarding, Skating and Similar Activities on University Property to add scooters as a form of transportation regulated by the university and to clarify that this regulation applied to both manual and electric devices. New language regarding use of these modes of transportation in high-density areas on campus has also been added.

This regulation was posted online December 20, 2019, for public comment. No comments were received as of the date of submission of these materials.

Alternatives to Decision:

Do not amend University Regulation UCF-4.036

Fiscal Impact and Source of Funding:

N/A

Recommended Action:

Approve proposed amendments to University Regulation UCF-4.036.

Authority for Board of Trustees Action:

Board of Governors regulation 1.001

Contract Reviewed/Approved by General Counsel:

N/A

Committee Chair or Chair of the Board approval:

Chair Bill Yeargin has approved adding this item to the agenda.

Submitted by:

Youndy Cook, Deputy General Counsel

Supporting Documentation:

Attachment A: Proposed Amended Regulation UCF-4.036 (redline)

Facilitators/Presenters:

Youndy Cook, Deputy General Counsel

Attachment A

UCF-4.036 Skateboarding, Bicycling, Scooting, Skating, and Similar Activities on University Property

- (1) This regulation promotes greater safety on University property and prevents physical damage to University property.
- (2) This regulation applies to the operation by any person of bicycles, skateboards, skates, scooters and other similar devices, whether manual or electric, on University property.
- (3) For purposes of this regulation, “University property” includes any campus of the University of Central Florida, as well as any facility controlled by the University of Central Florida, and also includes any vehicles, equipment, or fixtures that are on or part of any campus of or any facility controlled by the University of Central Florida..
- (4) No person shall use a skateboard, skates, bicycle, scooter or other similar device on any University property, except as specified in applicable law and this regulation.
- (5) The use of bicycles, skateboards, skates (in-line or roller), scooters, or similar devices shall be allowed only as a means of transportation on designated walkways and other vehicular travel ways of University property. Anyone on University property may use or operate bicycles, skateboards, skates (in-line or roller), scooters, or similar devices ~~only~~ on walkways and while crossing streets at crosswalks in accordance with Florida law. The use of bicycles, skateboards, skates (in-line or roller), scooters, or similar devices is prohibited in or on ~~all other University property, including but not limited to:~~ curbs; benches; stairs; ~~parking garages; wooden walkways;~~ athletic facilities; landscaped areas; and the interior of any building.; ~~John T. Washington Center breezeway; Student Union courtyard area and patio area; and UCF Arena area, including Knights Plaza.~~ Bicycles and scooters may not be operated in and must be dismounted and walked through the following high-density areas of the University: parking garages; wooden walkways; John T. Washington Center breezeway; Student Union courtyard

area and patio area; and UCF Arena area, including Knights Plaza. The use of skateboards, skates (in-line or roller) or other similar devices is prohibited in these high-density areas.

Abusing grounds or building structures, including but not limited to ramps, rails, stair sets, and entryways by means of recreational cycling, skating, scootering, or the like constitutes misuse of University property.

(6) The following activities are prohibited on or using University property: acrobatics (e.g., jumping on or over steps, benches, walls, rails, bike racks, “free running,” “Parkour,” etc.); excessive speed; blocking pedestrian paths (e.g., sidewalks, ramps, doors, etc.); blocking or occupying marked parking spots; entering buildings while wearing in-line or roller skates or skates; slacklining; highlining; rappelling; and any activity which reasonably presents a risk of injury to persons or damage to property.

(7) No person shall ride at a speed greater than is reasonable and prudent, having due regard to traffic, pedestrians, surface of the side-walk or pavement, the hazard at intersections and any other condition then existing. Pedestrians have the right of way on all walkways and paths commonly used for pedestrian traffic. Persons operating bicycles, skateboards, skates (in-line or roller), scooters, or similar devices shall yield to pedestrians and shall avoid distractions (e.g., texting, use of earphones at high volume, etc.) while operating such devices.

(8) Violations of this regulation

(a) Any person who is not a student or employee (faculty or staff) of the University who violates this regulation is subject to an order to leave the immediate premises of University property by a person in charge of the University property or an officer of the University of Central Florida Police Department. Persons failing to comply with an order from a person in charge of the University property or an

officer of the University of Central Florida Police Department to leave or to remain off the immediate premises of the University property area subject to arrest for criminal trespassing.

- (b) Any student who violates this regulation is subject to referral to the Office of Student Conduct.
- (c) Any employee of the University (faculty, staff, or otherwise) who violates this regulation is subject to disciplinary action by the University.
- (d) The University also may seek restitution for damage to persons or University property.

(9) Violations of state or local traffic laws by persons operating bicycles, skateboards, skates (in-line or roller), scooters, or similar devices may also be addressed by the University of Central Florida Police Department, including issuance of a citation as appropriate.

(10) Activities that are otherwise prohibited by this regulation may be allowed as part of a university-sponsored event or the activities of a registered student organization, provided that a SAFE Form has been submitted and approved in accordance with University Regulation UCF-4.0292. Approval of a specific activity does not waive the requirement to obtain approval for future activities.

Authority: BOG Regulation 1.001. History – New 2-13-12; _____-20.

ITEM: **INFO-4**

UCF BOARD OF TRUSTEES
February 20, 2020

Title: Institutional Mission Statement

Background:

In accordance with Principle 4.2 of the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) Principles of Accreditation: Foundations for Quality Enhancement, governing boards must formally approve and regularly review the institution's mission statement.

The Association of Governing Boards (AGB) *Higher Education Governing Boards (2019)*, states that "The Governing Board is responsible for establishing, disseminating, and keeping current the mission of the institution."

The following institutional mission statement was last approved by the Board of Trustees on May 21, 2009:

The University of Central Florida is a public multi-campus, metropolitan research university that stands for opportunity. The university anchors the Central Florida city-state in meeting its economic, cultural, intellectual, environmental and societal needs by providing high-quality, broad based education and experienced-based learning; pioneering scholarship and impactful research; enriched student development and leadership growth; and highly relevant continuing education and public service initiatives that address pressing local, state, national, and international issues in support of the global community.

Issues to be Considered:

In consultation with the Board of Trustees, the next president will lead the development of a proposed new strategic plan, to be reviewed and ultimately approved by the Board of Trustees. This process will include a comprehensive review of the institutional mission with broad-based input from stakeholder groups that should consider how the mission statement most accurately describes the institution's current character and is consistent with the mission and purpose of the State University System as defined by the Board of Governors.

Alternatives to Decision:

N/A

Fiscal Impact and Source of Funding:

N/A

Recommended Action:

For information only.

Authority for Board of Trustees Action:

N/A

Contract Reviewed/Approved by General Counsel:

N/A

Committee Chair or Chair of the Board approval:

Chair Seay approved adding this item to the agenda.

Submitted by:

Karen Monteleone, Assistant Vice President, Board Relations

Supporting Documentation:

N/A

Facilitators/Presenters:

Chair Seay

ITEM: BOT-2

**UCF BOARD OF TRUSTEES
February 20, 2020**

Title: Emerging Issues and Crisis Response Task Force Recommendation

Background:

The post investigation action plan approved by the Board of Trustees on July 18, 2019, included a recommendation regarding crisis leadership. The recommendation was assigned to the UCF Board of Trustees Executive Committee for implementation oversight. At the August 7, 2019, meeting, the Executive Committee unanimously approved the creation of a Task Force on Crisis Management to be chaired by Trustee John Lord. Trustee John Lord's appointment ended in December 2019 and Trustee John Sprouls was appointed as committee Chair. The Crisis Response Management Task Force was charged with making recommendations to the UCF Board of Trustees regarding Board / administration interaction as a result of and during a crisis. The Crisis Response Management Task Force is staffed by Dr. Larry Barton, crisis management expert, Rhonda Bishop, vice president for compliance and risk, and Andrea Gandy, director of enterprise risk and insurance.

Issues to be Considered:

The Board should provide feedback and suggestions on the identified recommendation which includes the use of a severity index to guide Board and administration engagement. Additionally, the Board should determine if the recommendation identified will be adopted by the Board of Trustees as part of standard operating procedures in dealing with emerging issues and crises.

Alternatives to Decision:

The Board could modify or decline the recommendation.

Fiscal Impact and Source of Funding:

N/A

Recommended Action:

The board should adopt the recommendations put forth by the Emerging Issues and Crisis Response Task Force including the use of the severity index to guide Board and UCF leadership interaction. The Board should also consider the opportunities for improvement put forth to strengthen crisis response management capabilities. As appropriate, the Board and UCF leadership should review and modify the severity index as needed to support ample engagement during various incidents and crises.

Authority for Board of Trustees Action:

Article IX, section 7 of the Florida Constitution
Board of Governors Regulation 1.001

Contract Reviewed/Approved by General Counsel:

N/A

Committee Chair or Chair of the Board approval:

Chair Beverly Seay has added this item to the agenda.

Submitted by:

Rhonda L. Bishop, Vice President for Compliance and Risk

Andrea Gandy, Director of Enterprise Risk and Insurance Management

Supporting Documentation:

Attachment A: Crisis Response Task Force Update Presentation

Attachment B: Crisis Response Task Force Summary of Activity & Recommendation Report

Attachment C: Crisis Severity Index

Facilitators/Presenters:

Trustee John Sprouls

Dr. Larry Barton, Risk Management Consultant, Author, and Professor

Rhonda L. Bishop for Vice President, Compliance & Risk

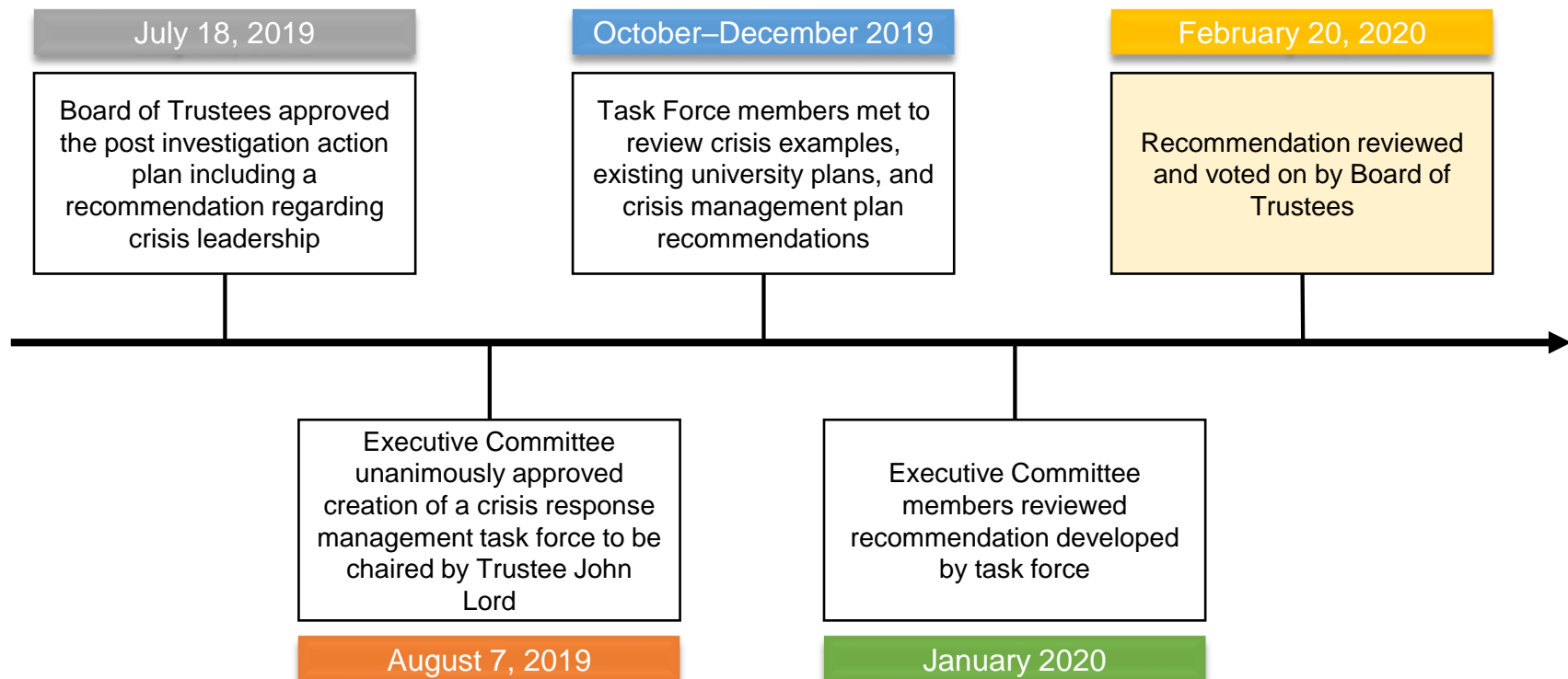
Attachment A

Crisis Response Task Force Update

Provided to Board of Trustees
February 20, 2020



Timeline



Task Force Charge & Objectives

Charge

Provide a recommendation to the Board of Trustees regarding Board and administration interaction as a result of a crisis including notification and communication during a crisis.

Objectives

1. Identify different types of crises which could impact the university and / or surrounding community
2. Outline UCF's current response processes and capabilities for different types of crises
3. Define a severity index recommendation for Chair and Board notification and communication
4. Identify opportunities to strengthen and / or expand response capabilities

Key Definitions

- Issue – an incident that:
 - an organization would have time to address,
 - has not stopped normal activities,
 - does not represent the potential for long-term repercussions
- Crisis – an event, which is often sudden or unexpected, that disrupts the normal operations of the institution or its educational mission and threatens the well-being of personnel, property, financial resources, and /or reputation of the institution (*Zdziarski, 2006*)
- An issue may become a crisis when not appropriately addressed or other instigating factors are present

Summary of Task Force Activity

- Explored examples of crisis
- Identified four categories of crisis
 - Natural
 - Physical
 - Informational
 - Organizational / Personnel
- Collected and reviewed existing university plans and processes
- Developed severity index to guide Board of Trustees and UCF leadership interaction

Crisis Examples

	Natural	Physical	Informational	Organizational / Personnel
Gradual emergence, external origin	Sinkhole	Pandemic	UCF partner mismanages / abuses UCF data or brand	Board member accused of scandal at another organization
Gradual emergence, internal origin	Flooding as a result of severe weather	Chemical poisoning	Student led protest on social media with negative reputational impact	Mishandling of key partnerships leading to negative reputational impact
Abrupt emergence, external origin	Hurricane	Contaminated food served at an on campus restaurant	Ransomware attack	University donor charged with heinous crime
Abrupt emergence, internal origin	Fire as a result of lightning	Fire	Employee sabotage of UCF payroll system	Resignation of senior administrator due to misconduct

Severity Index Recommendation – Part 1

		Level 0	Level I	Level II	Level III
Incident Severity	Impact	Minimal to no impact to university operations	Potential for one of the following to occur: disruption of academic or research efforts, increased legislative pressure, increased costs	At least one of the following expected: Disruption of academic or research efforts, increased legislative pressure, loss of funding or grants, increased costs, inability to hire and retain talent, loss of reputation	More than one of the following expected: Significant disruption of academic or research efforts, increased legislative pressure, loss of funding or grants, increased costs, inability to hire and retain talent, loss of reputation, potential for lost accreditation
	Condition of Affected Parties	Minimal to no impact to stakeholder groups	Minimal risk of death, injury, property damage, criminal arrest, loss of trust, or reduced financial condition	Likelihood of death, injury, property damage, trauma, mental anguish; loss of trust, or reduced financial condition	High likelihood or occurrence of death, injury, property loss, trauma, mental anguish, criminal arrest, or reduced financial condition; loss of trust expected
	Complexity	Short duration	Unpredictable duration	Unpredictable duration	Sustained duration expected
		Capabilities to address within university	Incident may require external expertise to properly address	Control of the incident(s) will require specialists/experts in addition to university personnel along with communication to certain stakeholder groups	Will require engagement, communication, and assistance from multiple stakeholder groups
		Unlikely to lead to media coverage	Potential for reputationally significant social and traditional media coverage exists	Reputationally significant social and traditional media coverage expected	National and local reputationally significant media coverage expected; high social network potentiality
		No prior negative coverage or incidents	No prior negative coverage; "related" university incidents may have occurred in recent years	"Related" university incidents or coverage in recent years; trending national topic	"Related" university incidents or coverage in recent history; history of similar circumstances; trending national topic

Severity Index Recommendation – Part 2

	Level 0	Level I	Level II	Level III
UCF Leadership / Board Interaction	University's operational response communicated to appropriate leader(s)	Leader(s) notify EICRT or president, EICRT activated, subject matter experts consulted if necessary	Leader(s) notify EICRT or president, EICRT activated, subject matter experts consulted	Leader(s) notify EICRT or president, EICRT activated, subject matter experts consulted
	Leader(s) communicate(s) impact and action plan to president and president's cabinet, EICRT informed	EICRT lead communicates recommended action plan with president, leader(s) implement crisis management plan	EICRT lead communicates recommended action plan with president, leader(s) implement crisis management plan, EICRT continues to assess	EICRT lead communicates recommended action plan with president, leader(s) implement crisis management plan, EICRT meets regularly and oversees execution of plan
	Proactive communication with Board regarding University's readiness at scheduled Board meeting if applicable	Board Chair notified; Board awareness for reputationally significant media coverage	Board Chair determines if and when full Board notification is necessary	Board Chair notified, Board Chair directs notification to full Board

EICRT – Emerging Issues and Crisis Response Team

A crisis can evolve from an issue and escalate through the levels. Monitoring issues is critical to effective crisis management.



Task Force Recommendation

- Adoption of the severity index by Board of Trustees
- Severity index maintained by EICRT to determine issue / crisis level
- Early and frequent communication with Board Chair and full Board
- Severity index used to inform when the Board Chair engages with the BOT Executive Committee or full Board

Opportunities Identified

TableTop Exercise

- ✓ Conduct a crisis simulation tabletop exercise
- ✓ Develop schedule to actively practice crisis response

✓ Business Practice

- ✓ Identify current partnerships to identify exposures
- ✓ Evaluate articulation of crisis management process and responsibility in partnership agreements

Resources

- ✓ Identify subject matter experts who can support the University during crisis



Task Force Members

Area	Person	Title
Board of Trustees	Trustee John Sprouls*	Chair, Crisis Response Management Task Force
Crisis Expert	Dr. Larry Barton	Co-Chair, Crisis Response Management Task Force
Communications & Marketing	Chad Binette	Assistant Vice President, Communications & Marketing
University Compliance, Ethics & Risk	Rhonda Bishop	Vice President, Compliance & Risk
Faculty Representative	Dr. Jonathan Beever	Assistant Professor, Ethics & Digital Culture
Faculty Representative	Dr. Deborah Beidel	Pegasus Professor of Psychology and Medical Education
Finance and Accounting	Kristie Harris	Associate Vice President, Financial Affairs
General Counsel	Sara Potter	Associate General Counsel
Human Resources	Maureen Binder	Associate Vice President for Human Resources and Chief HR Officer
Facilities Operations	Duane Siemen	Interim Associate Vice President for Administrative Affairs
UCF Police	Carl Metzger	Associate Vice President and Chief of Police
Student Development & Enrollment Services	Dr. Adrienne Frame	Associate Vice President, Dean of Students

**Trustee John Lord's appointment ended December 16, 2019. Trustee John Sprouls was appointed as his replacement.*





Attachment B



Crisis Response Task Force

Summary of Activity & Final Recommendations

Background

The post investigation action plan approved by the Board of Trustees on July 18, 2019, included a recommendation regarding crisis leadership. The recommendation was assigned to the UCF Board of Trustees Executive Committee for implementation oversight. At the August 7, 2019, meeting, the Executive Committee unanimously approved the creation of a Task Force on Crisis Management to be chaired by Trustee John Lord. Trustee John Lord's appointment ended in December 2019 and Trustee John Sprouls was appointed as committee Chair. The Crisis Response Management Task Force was charged with making recommendations to the UCF Board of Trustees regarding Board / administration interaction as a result of and during a crisis. The Crisis Response Management Task Force is staffed by Dr. Larry Barton, crisis management expert, Rhonda Bishop, vice president for compliance and risk, and Andrea Gandy, director of enterprise risk and insurance.

Task Force Members

Area	Person	Title
Board of Trustees	Trustee John Sprouls	Chair, Crisis Response Management Task Force
Crisis Expert	Dr. Larry Barton	Co-Chair, Crisis Response Management Task Force
Communications & Marketing	Chad Binette	Assistant Vice President, Communications & Marketing
University Compliance, Ethics & Risk	Rhonda Bishop	Vice President, Compliance & Risk
Faculty Representative	Dr. Jonathan Beever	Assistant Professor, Ethics & Digital Culture
Faculty Representative	Dr. Deborah Beidel	Pegasus Professor of Psychology and Medical Education
Finance and Accounting	Kristie Harris	Associate Vice President, Financial Affairs
Office of the General Counsel	Sara Potter	Associate General Counsel
Human Resources	Maureen Binder	Associate Vice President for Human Resources and Chief Human Resources Officer
Facilities Operations	Duane Siemen	Interim Associate Vice President for Administrative Affairs

UCF Police	Carl Metzger	Associate Vice President and Chief of Police
Student Development & Enrollment Services	Dr. Adrienne Frame	Associate Vice President, Dean of Students

Team Charge and Objectives

Team Charge: Provide a recommendation to the UCF Board of Trustees regarding Board and administration interaction as a result of a crisis including notification and communication during a crisis.

Team Objectives:

1. Identify different types of crises which could impact the university and / or surrounding community
2. Outline UCF's current response processes and capabilities for different types of crises
3. Define a severity index recommendation for Chair and Board notification and communication
4. Identify opportunities to strengthen and / or expand response capabilities

Summary of Team's Output

Objective 1: Identify Types of Crises

Members of the Crisis Response Task Force over the past few months have discussed a variety of incidents. One of first key elements discussed was differentiating the characteristics of an issue versus a crisis to ensure the team focused on appropriate examples. Based on external research and team discussion, it was determined the distinction deals primarily with the speed, severity, and impact of the incident. An issue would be an incident that (1) an organization would have time to address, (2) has not stopped normal activities, or (3) does not represent the potential for long-term repercussions. In many cases, an issue becomes a crisis when not appropriately addressed or other instigating factors exist.

The team settled on the following crisis definition, **a crisis is an event, which is often sudden or unexpected, that disrupts the normal operations of the institution or its educational mission and threatens the well-being of personnel, property, financial resources, and / or reputation of the institution** (Zdziarski, 2006¹). The Task Force considered UCF experiences and examples from private and academic settings to inform its identification efforts. The team identified four categories of crisis that could affect the university.

¹ Zdziarski, E. L. (2006). Crisis in the context of higher education. In K. Harper, B. Paterson, & E. Zdziarski, II, (Eds.) *Crisis management: Responding from the heart* (pp. 3-24). Washington, DC: National Association of Student Personnel Administrators (NASPA)

- Natural – an act of nature such as a flood, earthquake, or hurricane
- Physical – an incident either intentional or accidental resulting in tangible asset loss or damage and / or injury or loss of life (excludes an act of nature)
- Informational – an event resulting in or arising from loss of confidentiality, integrity, or availability of technology services, infrastructure, or information; intentional or accidental misuse of technology services, infrastructure, or information resulting in harm
- Organizational / Personnel – an incident arising as a result of university (faculty, staff, or administration) misconduct, misuse of power, or unethical / illegal behavior; intentional or accidental harm caused by or done to stakeholders

Examples of crises were discussed including the incidents outlined below.

	Natural	Physical	Informational	Organizational / Personnel
Gradual emergence, external origin	Sinkhole	Pandemic	UCF partner mismanages / abuses UCF data or brand	Board member accused of scandal at another organization
Gradual emergence, internal origin	Flooding as a result of severe weather	Chemical poisoning	Student led protest on social media with negative reputational impact	Mishandling of key partnerships leading to negative reputational impact
Abrupt emergence, external origin	Hurricane	Contaminated food served at an on campus restaurant	Ransomware attack	University donor charged with heinous crime
Abrupt emergence, internal origin	Fire as a result of lightning	Fire	Employee sabotage of UCF payroll system	Resignation of senior administrator due to misconduct

(Nadler, 2004²)

Stakeholders were widely defined as any of the following groups: students, parents, donors, regulators, legislators, Board of Governors, partnership associates, and the surrounding community. Team discussion regarding current plans identified organizational / personnel crises as the greatest opportunity to strengthen crisis response coordination and capabilities.

Objective 2: Current University Response Processes & Capabilities

Review of the university's current response processes and capabilities identified several plans as it relates to crisis management and response. The university has and maintains the following plans and processes:

² Nadler, D. (2004). What's the board's role in strategy development? Engaging the board in corporate strategy. *Strategy and Leadership*, 32(5), 25–33

Comprehensive Emergency Management Plan (CEMP)

- ***Ownership:*** Office of Emergency Management
- ***Scope:*** The Office of Emergency Management maintains a CEMP to meet requirements outlined by the Board of Governors for Florida state universities, and in accordance with Florida Statute Chapter 252. The CEMP provides the framework for coordination and full mobilization of internal and external resources during an emergency. It clarifies strategies to mitigate, protect, and prevent against; prepare for; respond to; and recover from an emergency and/or disaster.

Crisis Communication Plan

- ***Ownership:*** Jointly owned by Communications and Marketing and the Office of Emergency Management.
- ***Scope:*** The Crisis Communication Plan is part of the broader CEMP and outlines UCF's emergency communication responsibilities. The plan lays out Communication and Marketing's emergency communication plan, including pre-approved key messages, talking points, resources, authorizations and staging and applies to when there is a hazardous condition that threatens the health and safety of individuals on or near the UCF campus.

Continuity of Operations Plan (COOP)

- ***Ownership:*** The Office of Emergency Management
- ***Scope:*** The Office of Emergency Management maintains a COOP to meet requirements outlined by the Board of Governors for Florida state universities, and in accordance with Florida Statute Chapter 252. The COOP is a collection of resources, actions, procedures, and information that is developed, tested, and held in a state of readiness for use in the event of a major disruption on campus operations. Numerous university departments provide and are familiar with the critical information in the COOP to support the success of the plan. The information in the COOP describes the university's planning assumptions, objectives, and protective measures regarding a campus disruption.

Master Disaster Recovery Management Plan and Utility Emergency Response Plan

- ***Ownership:*** The Office of Facilities and Safety
- ***Scope:*** The Office of Facilities and Safety maintains two plans to support continued operations in the face of a disaster or emergency. The Master Disaster Recovery Plan provides a procedural framework to proactively respond to a facility disaster as well as facilitate short and long-term recovery efforts. The plan is intended for use during each disaster phase (preparedness, response, recovery, and mitigation); considering how decisions and activities in one phase may impact subsequent phases. Additionally, the Utility Emergency Response Plan lays out procedures to address critical utility failures on campus (i.e. water plan failure, loss of natural gas supply, etc.). The Utility Emergency Response Plan provides a response and recovery structure to minimize damage and disruption.

Information Technology Disaster Recovery Plan

- **Ownership:** UCF Information Technology (IT)
- **Scope:** The university has and maintains a comprehensive organization-wide BCDR function. Central IT has business continuity and disaster recovery (BCDR) plans specific to the enterprise systems, network, and telecommunications systems maintained by UCF IT. The plans address three major elements of the recovery process: (1) the emergency response organization and procedures for reacting to and coordinating recovery efforts; (2) the recovery support procedures for restoring key enterprise systems; and (3) the business resumption procedures for the continuation of critical business systems.

Security Incident Response Plan (Cybersecurity)

- **Ownership:** Security Incident Response Team (SIRT) which is led by the Information Security Office
- **Scope:** The plan applies to all university information systems and services except for information technology disaster recovery procedures. It provides the framework to properly respond in a consistent manner to a security incident that threatens the confidentiality, integrity, or availability of information resources or violations of acceptable use policy.

University Emerging Issues and Crisis Response Team (EICRT)

- **Ownership:** EICRT
- **Scope:** The University Emerging Issues and Crisis Response team is responsible for conducting ongoing issues management review to identify and discuss areas which may lead to increased likelihood of a crisis. Additionally, the team provides appropriate leadership prior to and during a crisis including president and Board consultation and communication. The team will regularly monitor and modify (if necessary) crisis response documents and plans to reflect new projects, initiatives, partnerships, or issues that arise. EICRT will provide oversight for university emergency and crisis response plans and provide assurance to the president and Board that plans are updated at least annually.

Board of Trustees Emerging Issues

- **Ownership:** Board Chair and University President
- **Scope:** In consultation with Interim President Seymour and aligned with the UCFoward goal to Strengthen Operations, Chair Seay has requested proactive Trustee engagement with areas where the university has made a significant investment, is considering making a significant investment, or has faced challenges. Proactively strengthening the operations of the university, will lay a successful foundation for a new president and compliments the timeline for the presidential search underway. Board members will use their experience and expertise, where they bring valuable background and skills, to advise executive leadership and share with other board members their findings and recommendations on the respective emerging issue.

Objective 3: Severity Index Recommendation

Based on crises identified and discussed, the task force leveraged external publications and research to develop a UCF Board of Trustees Crisis Severity Index (CSI) (Attachment C). The CSI is meant to serve as a guide on communication / interaction between the UCF Board of Trustees (BOT) and UCF leadership prior to and during a crisis. The index is not exhaustive and intended to serve only as reference for both Trustees and leadership on communication expectations. UCF leadership is still responsible for communicating to the UCF BOT on topics necessary to support the board's oversight role. The CSI is broken into two main components; Incident Severity and BOT and UCF Leadership Interaction. Incident Severity contemplates potential impact, condition of affected parties, and complexity of the incident. BOT and UCF Leadership Interaction outlines engagement level between the two parties. The index ranges from level 0 to level 3 with incidents escalating in severity requiring increased interaction.

The task force recommends to the BOT adoption of the severity index. Additionally, the task force recommends the severity index be maintained and used by the EICRT to designate the level of an emerging issue or crisis to inform appropriate communication to the Board Chair and full Board. The task force recognizes crises are fluid and a situation may change very quickly. The severity index is not intended to limit communication, and the task force recommends early and more frequent communication with the Board Chair and full Board. The task force further recommends the severity index inform when the Board Chair engages with the BOT Executive Committee or full Board. The goal of the adoption and use of the severity index is for the Board to set expectations for the identification of emerging issues and crises and ensure effective communication.

Objective 4: Opportunities for Improvement

As a result of the task force's work, the following opportunities for improving current practices were identified:

Opportunity 1: Tabletop Exercise

- ✓ Conduct a crisis simulation tabletop exercise with the UCF Board of Trustees and leadership to identify crisis plan strengths and vulnerabilities
- ✓ Develop schedule to actively practice crisis response to test preparedness and abilities

Opportunity 2: Business Practice

- ✓ Identify current partnerships to better understand exposures (cost, reputation, liability, etc.)
- ✓ Evaluate articulation of a crisis management process and responsibility in partnership agreements

Opportunity 3: Resources

- ✓ Identify and establish a relationship with subject matter experts who could support the university during a crisis

Attachment C

		Level 0	Level I	Level II	Level III
Incident Severity	Impact	Minimal to no impact to university operations	Potential for one of the following to occur: disruption of academic or research efforts, increased legislative pressure, increased costs	At least one of the following expected: Disruption of academic or research efforts, increased legislative pressure, loss of funding or grants, increased costs, inability to hire and retain talent, loss of reputation	More than one of the following expected: Significant disruption of academic or research efforts, increased legislative pressure, loss of funding or grants, increased costs, inability to hire and retain talent, loss of reputation, potential for lost accreditation
	Condition of Affected Parties	Minimal to no impact to stakeholder groups	Minimal risk of death, injury, property damage, criminal arrest, loss of trust, or reduced financial condition	Likelihood of death, injury, property damage, trauma, mental anguish; loss of trust, or reduced financial condition	High likelihood or occurrence of death, injury, property loss, trauma, mental anguish, criminal arrest, or reduced financial condition; loss of trust expected
	Complexity	Short duration	Unpredictable duration	Unpredictable duration	Sustained duration expected
		Capabilities to address within university	Incident may require external expertise to properly address	Control of the incident(s) will require specialists/experts in addition to university personnel along with communication to certain stakeholder groups	Will require engagement, communication, and assistance from multiple stakeholder groups
		Unlikely to lead to media coverage	Potential for reputationally significant social and traditional media coverage exists	Reputationally significant social and traditional media coverage expected	National and local reputationally significant media coverage expected; high social network potentiality
		No prior negative coverage or incidents	No prior negative coverage; "related" university incidents may have occurred in recent years	"Related" university incidents or coverage in recent years; trending national topic	"Related" university incidents or coverage in recent history; history of similar circumstances; trending national topic
UCF Leadership / Board Interaction		University's operational response communicated to appropriate leader(s)	Leader(s) notify EICRT or president, EICRT activated, subject matter experts consulted if necessary	Leader(s) notify EICRT or president, EICRT activated, subject matter experts consulted	Leader(s) notify EICRT or president, EICRT activated, subject matter experts consulted
		Leader(s) communicate(s) impact and action plan to president and president's cabinet, EICRT informed	EICRT lead communicates recommended action plan with president, leader(s) implement crisis management plan	EICRT lead communicates recommended action plan with president, leader(s) implement crisis management plan, EICRT continues to assess	EICRT lead communicates recommended action plan with president, leader's implement crisis management plan, EICRT meets regularly and oversees execution of plan
		Proactive communication with Board regarding university's readiness at scheduled Board meeting if applicable	Board Chair notified; Board awareness for reputationally significant media coverage	Board Chair determines if and when full Board notification is necessary	Board Chair notified, Board Chair directs notification to full Board

UCF BOARD OF TRUSTEES

Title: New Budget Model

Background:

In Fall 2019, the university began the process of a budget model redesign. The project is sponsored by the Provost and CFO, and the Steering Committee is co-chaired by Kristie Harris and Dean Paul Jarley. The redesign is seeking to address the following opportunities:

Strengthen Allocation Methodology: Strengthen allocation methodologies through leveraging UCF's institutional data to make informed decisions and increased focus on matching revenues to corresponding expenses

Promote Revenue Growth: Provide clear paths for revenue generating units to retain additional revenue when key metrics are achieved

Drive Operational Efficiencies: Facilitate conversations around operational efficiency within central support units to provide appropriate service levels at university-appropriate cost metrics

Increase Transparency: Create increased levels of transparency across the university, illustrating the current levels of investment in academic units and strategic internal priorities

Align Institutional Incentives: Create specific pools of funds earmarked for strategic initiatives on campus with stewardship from the President, Provost, and the CFO

Huron has been engaged to assist with the project and has been working closely with the Steering Committee and Deans. This presentation and discussion will provide an update on the status of the project which is expected to produce an updated budget model that can be tested in fiscal year 2020-2021.

Issues to be Considered:

Findings presented are informational only.

Alternatives to Decision:

N/A

Fiscal Impact and Source of Funding:

N/A

Recommended Action:

N/A

Authority for Board of Trustees Action:

N/A

Contract Reviewed/Approved by General Counsel:

N/A

Committee Chair or Chair of the Board approval:

Chair Seay approved adding this item to the agenda.

Submitted by:

Mike Kilbride, Assistant Vice President, Administration

Supporting Documentation:

Attachment A: UCForward Budget Redesign Initiative

Facilitators/Presenters:

Trustee Alex Martins

Joseph Trubacz, Interim Vice President and Chief Financial Officer

Kristie Harris, Associate vice President for Financial Affairs

Paul Jarley, Dean, College of Business Administration

Attachment A

UCForward Budget Redesign Initiative

Board Update
February 20, 2020



Overview of Current Budget Model

- Hybrid approach grounded on incremental budgeting; largely based on the previous year's budget with incremental amounts added for the new budget year.
- Colleges receive a portion of marginal tuition and fee revenue based on student credit hours and performance in areas such as student success, faculty support, and research growth.
- Provost-directed investments are made in new programs and initiatives guided by the strategic plan.

Goals of the Budget Model Redesign Effort

- Promote fiscal stewardship and financial responsibility throughout the campus community.
- Enable the university to quickly adapt to economic or political realities in support of the university's strategic vision.
- Further advance the university's ability to become preeminent and remain competitive in the performance funding initiative.
- Provide individual units with enhanced autonomy (coupled with commensurate accountability), increased transparency, and better financial data for decision making.
- Incentivize organizational behavior to align resources with identified strategic priorities.

Steering Committee Charge

The ***UCForward Budget Model Redesign Steering Committee*** is the principal group responsible for the implementation of a new, all-funds resource allocation model aligned with UCF's strategic direction, culture and values.

Committee members will ensure the achievement of project goals and outcomes through completion. Primary responsibilities include:

- Reimagining UCF's budget philosophy and guiding principles in alignment with our current strategic direction.
- Reporting progress to Executive Sponsors via Committee Co-Chairs.
- Recommending and guiding the evaluation and selection of a budget model that incorporates feedback from campus stakeholders.
- Recommending and guiding implementation and communication plans for the complete project lifecycle.

Stakeholder Engagement Themes

Through conversations with 40+ academic and administrative leaders, the following themes were identified as opportunities in the new budget model:

Transparency and Predictability

Recognition of Revenue Growth

**Alignment of Strategy and
Operations with Budgeting**

Investment in Strategic Priorities

Budget Process Redesign Guiding Principles

1. Ensure resource management, planning, and allocation decisions are aligned with the institution's mission as a public multi-campus, metropolitan research university.
2. Ensure transparency, accountability, and fiscal responsibility by requiring all aspects of resource management to be supported by data-informed decisions.
3. Align budgetary authority with responsibility and accountability.
4. Provide significant incentives for promoting efficiency, innovation, responsiveness and entrepreneurship using data-based decision-making.
5. Balance complexities of the economic realities with a methodology that is financially viable and easy to understand.
6. Distribute resources using a predictable and consistent methodology that allows for multiyear planning.

Key Budget Process Redesign Activities

- Educate academic and administrative leaders on current budget practices and solicit feedback for future enhancements.
- Build a resource allocation model that aligns revenues and expenses and allows for resources to ebb and flow with changes in unit activity levels.
- Facilitate a process that recognizes the value of transparency and leads to greater insight into the sources and uses of institutional resources.
- Design an implementable and flexible model framework that can be leveraged by future institutional leadership (President, Provost, and CFO).

Budget Process Redesign Framework

1 Operating Units									
2 Funds									
3 Direct and Allocated Revenue									
4 Direct Expenses									
5 Indirect Expenses									
6 Central Funding Mechanism									

- Operating Units:** academic and auxiliary units responsible for generating revenue through their operations
- Funds:** separate views of revenues and expenses by fund classification (i.e., restricted vs. unrestricted)
- Direct and Allocated Revenues:** revenues that directly tie to units based on reporting categorization and revenues that are earned and distributed based on an agreed upon activity metric
- Direct Expenses:** expenses that directly tie to units based on reporting categorization
- Indirect Expenses:** institution-wide expenses associated with central support units and other operations allocated back to the revenue generating units
- Central Funding Mechanism:** A pool of funding utilized by the President and Provost to strategically invest and allocate resources

Items to Address Outside of Budget Redesign

- Establish key performance indicators (“KPIs”) for academic and administrative units to drive future allocation decisions.
- Benchmark academic and administrative units to identify areas of strength and opportunity for future performance expectations.
- Identify opportunities to increase revenues (research, change in student mix, etc.), reduce expenses (duplicative expense, reallocations, etc.), and enhance service delivery.

Risks & Challenges

- Senior Administrator Turnover
- Organizational Culture and Trust
- Data Limitations
- Incorrect Model Expectations

Next Steps by Huron Consulting Group

- Assess preliminary allocation decisions to evaluate model outputs.
- Review baseline model with academic and administrative units to identify feedback and begin iterative review process.
- Continue data validation surrounding university-specific revenue and expenditure adjustments.
- Begin campus engagement to broaden awareness levels within the campus community.

Benefits of a Successful Budget Process Redesign

If the desired model is implemented, over the next few years we expect:

- Improved transparency and budgetary understanding across academic and administrative budget owners.
- Increased ability to make data-informed decisions.
- Improved use of financial resources, including appropriate utilization and draw-downs of university and organizational carry-forward balances.
- Enhanced local accountability to generate revenues, manage expenses, and increase effectiveness and responsiveness from support units.
- Rationalized and reallocated budget allocations aligned with institutional strategic plans and objectives.

Timeline and Progression

Task	Month									
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Phase 1 –Due Diligence and Visioning										
Identify redesign considerations										
Engage academic & administrative stakeholders										
Construct process guiding principles										
Phase 2 – Financial Model Development										
Facilitate steering committee allocation discussions										
Build model framework aligned to proposed allocations										
Phase 3 –Consensus Building										
Evaluate proposed model										
Gather model feedback from academic units										
Gather model feedback from administrative units										
Refine proposed model										
Phase 4 – Infrastructure Development										
Stress test proposed model										
Establish governance structures										
Review annual budget processes for new model										
Build scenario planning tool for units										
Conduct budget workshop sessions										
Facilitate training sessions on model										
Conduct high-level academic program analyses										

Green boxes represent completed tasks, yellow boxes represent scheduled tasks.

Communications and Campus Engagement

Stakeholder Group	Month										
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	
Executive Sponsors											
Steering Committee											
Deans & Business Managers											
Auxiliary & Administrative Units											
Campus Communications											
Board of Trustees											

Campus communications include website (planned February launch), campus-wide email (February), and series of town halls, departmental meetings, and scheduled public forums to solicit campus input and feedback.

Green boxes represent completed tasks, yellow boxes represent scheduled tasks.

Thank you.





Steering Committee Membership

The University established a Steering Committee to provide guidance for the initiative, to review project status reports, and to validate the opportunities presented.



The Steering Committee is supported by members of Huron to assess the current state of budgeting, develop a financial model, and engage with campus stakeholders.

Project Approach

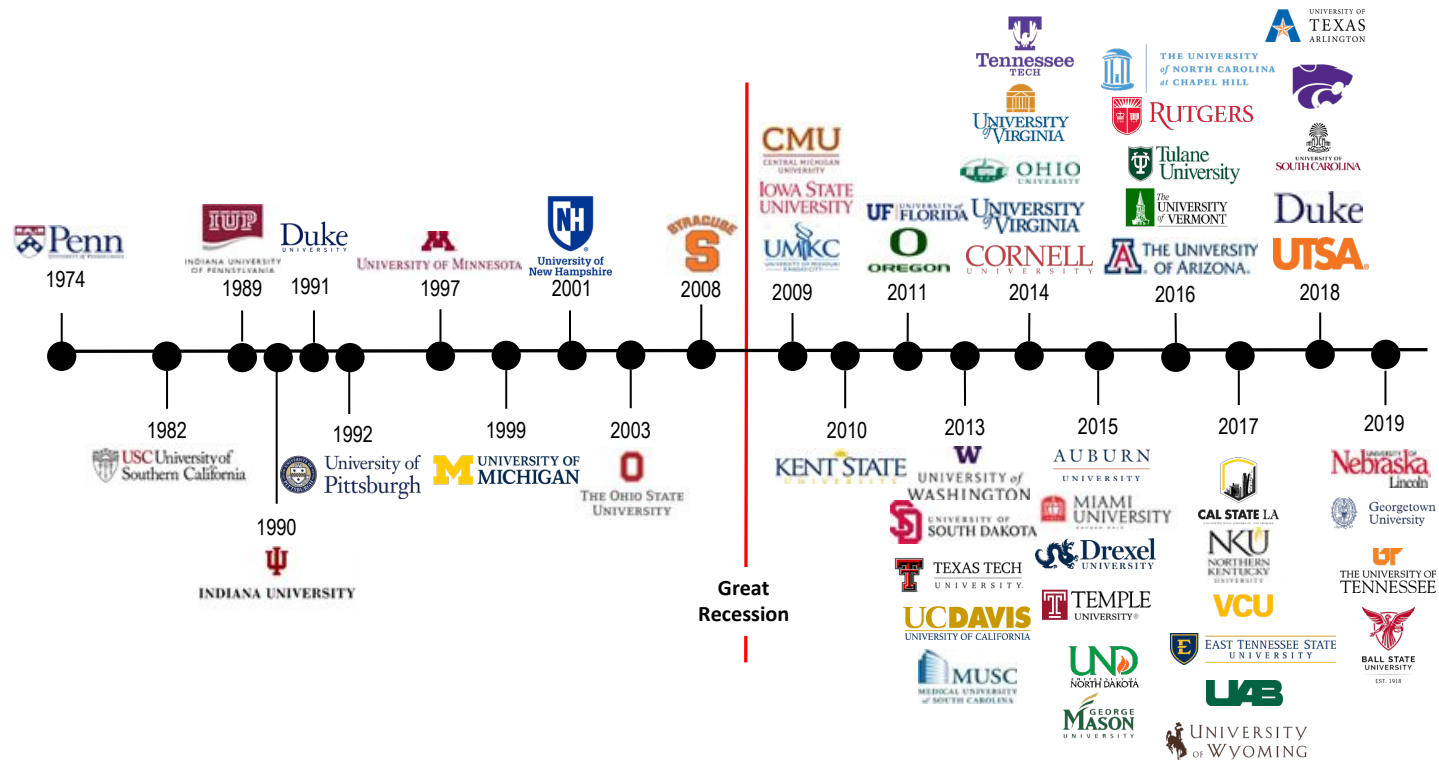
The University of Central Florida (UCF) has engaged Huron to assist in the redesign of the University's budget and planning process, utilizing a phased approach to assist in a successful and timely engagement.

Visioning & Model Development	Evaluation & Stakeholder Engagement	Implementation and Infrastructure Development
<ul style="list-style-type: none"> • Define project objectives, and success criteria and metrics • Conduct stakeholder interviews and focus groups • Understand the current state, including strengths, areas of opportunities, and appetite for change • Develop pro forma model utilizing UCF's FY19 actuals 	<ul style="list-style-type: none"> • Host budget model overview session with deans • Continue customization of model mechanics – utilize and review several scenarios • Hold a Dean's retreat to further facilitate model consensus • Conduct ongoing model training with members of the budget office 	<ul style="list-style-type: none"> • Advise in further model expansion as needed • Establish future state governance structures • Map and enhance budget processes to support the new model • Develop a unit-level scenario planning tool • Hold budget workshops with academic and administrative units
~4 Months	~3 Months	~3 Months

Each phase will utilize continued input from the Steering Committee to help guide and push the project forward.

Budget Model Redesign Efforts in Higher Education

Based on Huron's research and client experience, it has been shown that institutions pursuing budget redesigns nationwide and beyond continue to grow.



Note: This illustration depicts institutions who have undertaken a budget model redesign and does not reflect Huron-only budget redesign clients.

Overview of Budgeting Alternatives

Incremental budgeting is the most common approach to university resource allocation, though an array of alternative and hybrid models exists.

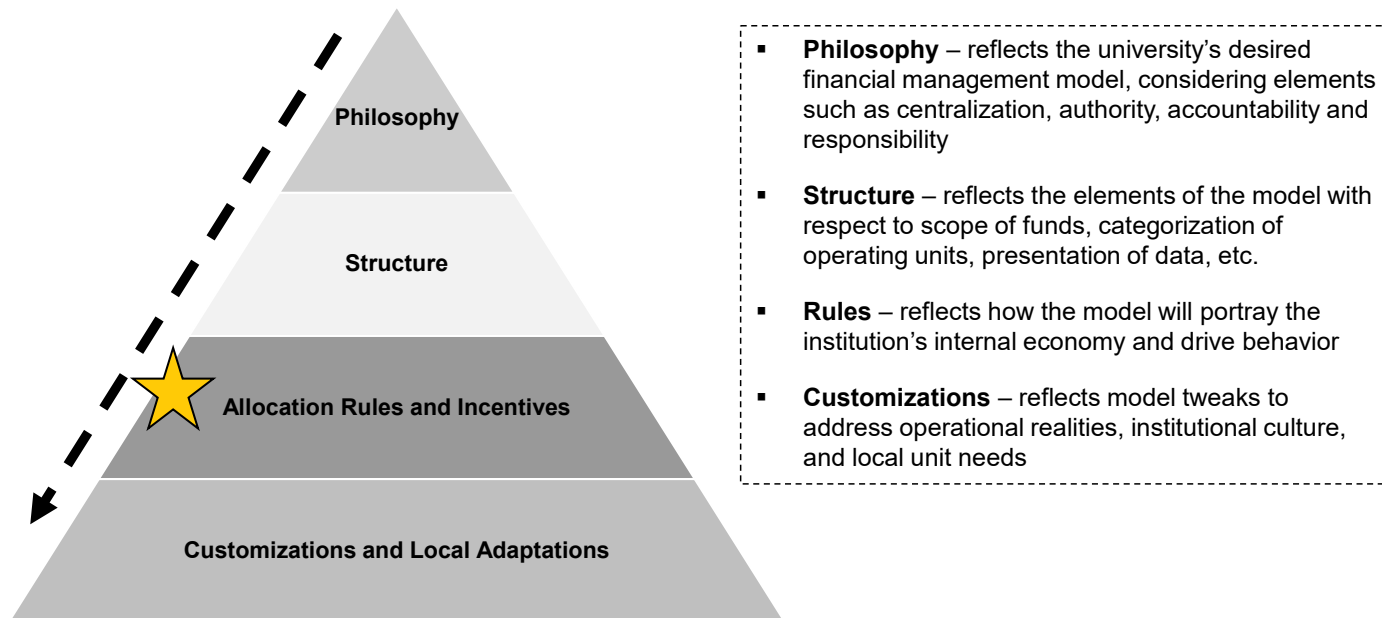
Common Budgeting Models ¹			
Incremental Budgeting	Formula Funding	Performance Funding	Incentive-Based Models
<ul style="list-style-type: none"> Centrally driven Current budget acts as “base” Each year’s budget increments (decrements) adjust the base Focus is typically placed on expenses Common modifications: Block-grant models bucket line-items together to promote local control Revenue incentives may be incorporated for the allocation of resources above-and-beyond the base Approximately 49% of institutions and 65% of public master’s/baccalaureate institutions report using this model 	<ul style="list-style-type: none"> Unit-based model focused on providing equitable funding Unit rates are input-based and commonly agreed upon Annual fluctuations are driven primarily by the quantity of production and not from changes to rates Common modifications: <ul style="list-style-type: none"> Weighting schemes to control for local cost structures Used only for select activities (e.g., instruction) Approximately 24% of institutions and 28% of public master’s/baccalaureate institutions utilize a formula funding model 	<ul style="list-style-type: none"> Unit-based model focused on rewarding mission delivery Unit rates are output based and commonly agree upon Annual fluctuations are driven primarily by changing production and not from changes to rates Common modifications: <ul style="list-style-type: none"> Weighting schemes to control for local unit mission Used only for small portions of overall resources (as little as 1% - 5%) Approximately 19% of institutions and 14% of public master’s/baccalaureate institutions utilize a performance funding model 	<ul style="list-style-type: none"> Focus on academic units Incorporates a devolution of revenue ownership to local units, as generated Allocates costs to revenue generating units Utilizes a centrally managed “subvention pool” to address strategic priorities Common modifications: <ul style="list-style-type: none"> Revenue allocation rules Number of cost pools Participation fee (tax rate) Approximately 32% of all institutions and 27% of public master’s/ baccalaureate institutions use an incentive-based model

It is very common to find institutions that are utilizing multiple budget models simultaneously, either as hybrid models or models to facilitate various university missions.

(1) Adoption rates from the 2017 Inside Higher Education Survey of College and University Business Officers; Percentages do not add to 100% due to hybrid budgeting models.

Budget Redesign Process

Effective budget redesign typically requires four stages of decisions, with each level requiring increased levels of institutional insights and customizations.



While UCF is committed exploring a new budget model, decisions have not yet been made regarding the desired model structure, allocation rules, incentives, or customizations.

★ *Current status*

Project Approach

The University of Central Florida (UCF) has engaged Huron to assist in the redesign of the University's budget and planning process, utilizing a phased approach to assist in a successful and timely engagement.

Visioning & Model Development	Evaluation & Stakeholder Engagement	Implementation and Infrastructure Development
<ul style="list-style-type: none"> • Define project objectives, and success criteria and metrics • Conduct stakeholder interviews and focus groups • Understand the current state, including strengths, areas of opportunities, and appetite for change • Develop pro forma model utilizing UCF's FY19 actuals 	<ul style="list-style-type: none"> • Host budget model overview session with deans • Continue customization of model mechanics – utilize and review several scenarios • Hold a Dean's retreat to further facilitate model consensus • Conduct ongoing model training with members of the budget office 	<ul style="list-style-type: none"> • Advise in further model expansion as needed • Establish future state governance structures • Map and enhance budget processes to support the new model • Develop a unit-level scenario planning tool • Hold budget workshops with academic and administrative units
~4 Months	~3 Months	~3 Months

Each phase will utilize continued input from the Steering Committee to help guide and push the project forward.

Proposed Model Framework

Element	Description	Status
Organizational Framework	<ul style="list-style-type: none"> ▪ Categorization of organizational units-based role in model revenue management ▪ Identification of how hybrid units (e.g., units that have auxiliary and service-provider components) fall into organizational unit categories 	<i>Draft framework established for preliminary build</i>
Devolution of Revenue	<ul style="list-style-type: none"> ▪ Sources of revenues and methodology for allocation (formula vs. direct) ▪ Specific incentives for: tuition and fee revenues, appropriations revenues, indirect (F&A) research revenues ▪ Overall local vs. central management of revenue streams 	<i>Preliminary conversations completed</i>
Allocation of Costs	<ul style="list-style-type: none"> ▪ Approach to sharing indirect costs to units to reflect full costs of activities ▪ Categorization of costs into cost pools and selection of allocation mechanism (i.e. driver) to share costs 	<i>Preliminary conversations completed</i>
Use of Subvention Pools	<ul style="list-style-type: none"> ▪ The provision of resources for strategic initiatives benefits the whole of the institution, including a “tax” on revenues or central retention of select revenue streams ▪ Allocations from central sources to units called “subventions” to offset mission-critical units with high operating costs 	<i>Meeting on 2/20</i>

“All-Funds Transparent” Budgeting Approach

Incentive-based decentralized budgets are generally managed on an all-funds, cash operating basis.

- The all-funds approach routinely includes direct and indirect research, auxiliary, and gift funds but excludes varying portions of foundation activities
- Approach assumes that optimal decisions cannot be made unless all resources are, at a minimum, visible
- Revenue focus attempts to “de-color” money
- Accrual entries and other financial reporting adjustments are still necessary for external reporting

	College XYZ				
	Current	Designated	Restricted	Sponsored	Total
Revenues					
Student Fees	\$ 3,213,294	\$ 177,155	\$ -	\$ -	3,390,449
Net Undergraduate Tuition	77,760,104	-	-	-	77,760,104
Net Graduate Tuition	6,872,270	-	-	-	6,872,270
DeL Tuition	3,874,246	-	-	-	3,874,246
Other Tuition	-	3,447,890	-	-	3,447,890
Student Tuition and Fees	95,914,528	3,625,045	-	-	99,539,573
Federal Grants and Contracts	-	-	-	7,948,437	7,948,437
State Grants and Contracts	-	-	-	389,085	389,085
Other Grants and Contracts	-	-	-	938,390	938,390
Grants and Contracts Overhead	-	-	-	-	2,408,463
Revenue from affiliates	-	13,206	-	-	13,206
Private gifts	5,000	N/A	198,697	N/A	203,697
Endowment income	-	-	511,058	-	511,058
Investment income	-	-	-	75	75
Other income	-	91,010	-	195	91,205
Total Revenues	95,919,528	3,729,261	709,755	9,276,181	112,043,188
Expenses					
Faculty Salaries	\$ 22,912,087	\$ 1,733,828	\$ 194,809	\$ 1,258,249	26,098,973
Non-Faculty Salaries	3,922,872	1,427,426	176,651	1,360,506	6,887,455
Student Salaries	3,177,412	172,962	36,446	830,152	4,216,971
Other Salaries	3,383	-	-	-	3,383
Fringe Benefits	7,243,483	760,656	97,549	755,442	8,857,131
Compensation Total	37,259,237	4,094,872	505,455	4,204,349	46,063,913
General Expenses	2,209,319	581,956	104,609	4,108,702	7,004,586
Expense Recovery	15,789	(167,347)	(10,075)	(521,078)	(682,712)
Patient Care Activities	-	-	91	2,607	2,698
Purchased Services	120,706	199,707	9,490	846,834	1,176,737
Tuition Remission & Restricted Scholarships	2,097,883	36,360	100,185	388,621	2,623,056
Debt Service	2,752,730	-	-	-	2,752,730
Rent Payment - Tenet	190,868	-	-	-	190,868
Transfers	379,659	(379,659)	-	-	-
Adjustments	-	-	-	-	(1,224)
Total Expenses	45,026,191	4,365,889	709,754	9,030,452	59,130,652
Unit Margin Before A&S Allocations	50,893,337	\$ (636,628)	\$ 1	\$ 24,140	\$ 52,912,536

Current budget
model focus

Envisioned budget
model focus

Source: NACUBO Higher Education Accounting Forum

Budget Model & Enrollment Management

- Models can be expanded to integrate additional focus areas for growth (e.g., research, indirect cost recovery, student progression)¹
- Revised model income statement portrayal will add greater transparency, require educating stakeholders, and result in greater interest around the multiple components that comprise enrollment management – not just credit hour production
 - Income statement will bring more insights into the relationship between gross tuition, net tuition, and tuition types (e.g., undergraduate vs. graduate)
 - Greater focus on financial aid – particularly funded versus unfunded
 - Promote focus is not solely on initial enrollment and instead, expanded to retention
 - Case studies suggest models, as a result, result in greater dialogue between dean and enrollment management to reach university and local priorities
- Perpetual growth should not be the goal of any model. University leadership needs to become aware of programmatic offerings and understand the concept of balanced portfolio offerings in which there must be a balance between offerings that are resource intensive (i.e., cost more money than they bring in) and those that generate positive margins

While most models allocate portions of tuition revenue following student credit hour production and headcount, the current budget process redesign effort focuses UCF's state appropriation to help fund research, promote student success, and reward other university identified strategic priorities (e.g. interdisciplinary programs). Note that any allocated state appropriation will exclude legislatively mandated funding activities from the allocable pools (e.g. the College of Medicine directed)

Stages and Lifecycle of A Budget Model Lifecycle

Implementation of new incentive-based models occur over several stages that take varying amounts of time depending on the university's ability and willingness to adopt the new model.

Common Stages of Incentive-based Budgeting				
Planning	Implementation	Maturity	New Normal	Sustainability
<ul style="list-style-type: none"> Determine if the model is the right fit for the university Engage stakeholders to evaluate current trends, opportunities, and challenges in university budgeting Design a baseline version of the model based on previous year's financials 	<ul style="list-style-type: none"> Run a parallel process with current budget model and new budget model Continue to tweak and adjust model as new issues arise Monitor and document trends Keep stakeholders engaged on the process and transition Develop a model 101 onboarding for new hires 	<ul style="list-style-type: none"> Shift in focus from cost allocations to revenue growth Increased flexibility of central funds, as colleges become less dependent and multi-year commitments are fulfilled Enhanced understanding of decision authority Unintended consequences addressed Conduct a 5-year review of the current model 	<ul style="list-style-type: none"> Model is embedded as part of the culture and decision making Model is a tool in recruitment of leaders and in strategic planning activities Administrative units have aligned service levels and undergo periodic reviews Tweaks made for emerging trends and new strategies are deployed (e.g. collaboration) Modifications often focus on simplicity and streamlining 	<ul style="list-style-type: none"> Budget model logic and culture is embedded in all parts of the institutions, not just leadership Almost all programs are known to be financially sustainable, or transparently supported Investments in mission activities are maximized and service level costs are justified and understood Modifications continue to focus on simplicity and streamlining

The development and management of an incentive-based model is an iterative process that continues even after initial model implementation.