

**Minutes
Board of Trustees Meeting
University of Central Florida
March 16, 2006**

Chair Richard A. Nunis called the meeting of the Board of Trustees to order in the Cape Florida Ballroom of the Student Union on the University of Central Florida campus at 2:00 p.m. The following members attended the meeting:

The Honorable Judith A. Albertson
The Honorable Olga M. Calvet
The Honorable Manoj Chopra
The Honorable Alan S. Florez

The Honorable Phyllis Klock
The Honorable Harris Rosen
The Honorable Al Weiss
The Honorable Thomas Yochum

During the morning session of the committee meetings, Donna Arduin of Arduin, Laffer & Moore Econometrics gave a presentation entitled *Advancing Florida's Life Science Industry: UCF College of Medicine-Economic Impact Study*. Arduin outlined the extensive economic benefits of a proposed medical college. She told the board that "a University of Central Florida medical college would be the right investment at the right time with the right partners for the State of Florida." A study by her firm and the Milken Institute determined that at the end of ten years, a college of medicine could generate \$1.4 billion in economic activity annually and add more than 6,400 jobs in Central Florida. The impact could be as much as \$6.4 billion and nearly 26,000 jobs if a life-sciences cluster of research and business develops around the medical school, similar to the clusters that have formed in other cities with medical schools. President John C. Hitt stressed the proposed medical college's role in improving health care in the community. Florida Hospital and Orlando Regional Medical Center have agreed to add and pay for ninety-five residencies to address the shortage of doctors in the area.

COMMENTS

Chair Nunis welcomed the board members and called for approval of the minutes of the January 19, 2006, board meeting. Since no changes were requested, the minutes were approved as written.

Nunis acknowledged Trustee Tico Perez, who was unable to attend the meeting, for his service to the board. He reported that Perez was leaving the board to join the Florida Board of Governors and that he would be presenting him with the framed certificate of appreciation at a later date. He also acknowledged Trustee Willie Bentley, not present at the meeting, who leaves the board after his year of service as president of the Student Government Association. Nunis said he would see that a framed certificate of appreciation was presented to him as well. He welcomed Trustee Alan Florez, who replaces Trustee Perez and will complete Perez's term, to the board. Florez is an account executive for Brown & Brown Insurance and a 1998 graduate of UCF. President Hitt presented Trustee Florez with a gold

Pegasus pin. And, finally Chair Nunis acknowledged that Trustee Manoj Chopra would be serving a second term on the board since he was reelected as chair of the Faculty Senate.

Chair Nunis called upon President Hitt for opening remarks.

REMARKS:

President Hitt congratulated Trustee Al Weiss, President, Worldwide Operations, Walt Disney Parks & Resorts, and President, Walt Disney World Resort, for receiving the prestigious James B. Greene Economic Development Award. The Economic Development Commission presents the award to an individual who has exhibited unselfish service to Central Florida's economic well-being.

Hitt also acknowledged Trustee Judy Albertson and her husband, David Albertson, for their generous donation of \$600,000 that will fund an endowed chair in Visual Arts. The Albertsons' gift is eligible for \$420,000 in state matching funds, bringing the total donation to \$1.02 million. Hitt thanked the Albertsons for being "special friends of the university and remarkable members of the community."

Hitt thanked Donna Arduin for her presentation on the proposed medical school and said that her presentation, together with the Whitcomb presentation, represented us well in our case for the medical school to the Florida Board of Governors. Hitt reiterated that there will be a shortage of doctors nationwide and particularly in Florida and that we have to decide how we are going to address that problem. He said that "if we are going to create residencies that will be filled, we must put medical schools in close proximity to hospitals. UCF would be in a position to create a couple hundred solid residencies with our partnerships with local hospitals and we will be doing it in areas where there is a concentration of population." The Board of Governors is scheduled to vote March 23 on UCF's proposal to create a medical school.

Hitt announced that the Southern Association of Colleges and Schools (SACS) on-site visit is scheduled for April 18-20. He said that UCF received positive feedback about its readiness for the visit from the chair of the site visit committee, Dr. Charles Nash. Hitt invited any board members interested in meeting with representatives of the SACS team during the site visit to join them for lunch on April 19. He suggested that those wishing to participate in this luncheon should contact Vice President and Chief of Staff, Beth Barnes, or Associate Vice President of Academic Affairs, Denise Young.

And, in his closing remarks, Hitt called attention to a handout entitled *Selecting the Best Values* that showed the schools in *Kiplinger's 100 Best Values in Public Colleges* that are noteworthy for their combination of top-flight academics and affordability. In the statistical report, Hitt noted that UCF is ranked 40th for best in-state value and 86th for best out-of-state value for 2006.

INTRODUCTIONS

President Hitt introduced the following members of the audience: **Sohang Gandhi**, a UCF senior and honors student, who was one of sixty students selected nationwide to *USA Today's* All-USA College Academic Teams. Gandhi, a physics major from Casselberry, was named to the College Academic Third Team. Gandhi works about thirty hours a week on research with his mentor and physics professor, **Costas Efthimiou**. Hitt read a letter written by Gandhi to Provost Terry Hickey acknowledging the devotion and commitment of this outstanding professor.

Hitt also introduced the Order of Pegasus Class of 2006. The Order of Pegasus is the highest recognition the university gives outstanding graduating seniors and graduate students who have demonstrated exemplary involvement, leadership, academic achievement, and community service. The following students were selected this year: graduate students **Jennifer Curry** and **Ravi Todi** (unable to attend) and undergraduates **Maria Noel Blanchet, Katherine Brown, Morgan Cyphers, Sohang Gandhi, Jennifer Hartzler, Kelly Simonz, Alison Valentine** and **Arianne Buchanan, Melissa Lanzone, Trenton Scott, and Amy Schwartz**, who were unable to attend.

Hitt acknowledged **Ron Knappenberger**, our Employee of the Month for January 2006, He is a senior engineer in the Office of Instructional Resources and an outstanding member of the UCF family.

And, finally, Hitt extended condolences to Assistant Chief of Staff, **Nancy Marshall**, in the loss of her father, and to retired professor, **Bruce Whisler**, College of Arts and Humanities, in the loss of his wife, **Marilyn Whisler**, UCF associate professor. Hitt asked that we remember these UCF family members in our thoughts and prayers.

GENERAL BUSINESS

Chair Nunis discussed the first informational item with the board.

- **BOT-1: 2006 Committee Assignments** –The board establishes committees to assist in carrying out its responsibilities and the board chair determines the membership of the committees and its chairs. As a result, Chair Nunis announced that Trustee Alan Florez will serve on the Finance and Advancement Committees and that Trustee Phyllis Klock will be joining the Advancement Committee.

ADVANCEMENT

Trustee Judy Albertson served as acting chair of the Advancement Committee for Trustee Patrick Christiansen. She discussed the following committee items:

As an update on the topic of legislative efforts, Dan Holsenbeck, Vice President for University Relations, reported that the Senate published its first version of the budget that addresses some of the issues in the Board of Governors' legislative budget request, including enrollment and some additions to the budget for rising costs of utilities. He mentioned that for those trustees who plan to attend the fly-in on March 22, there are meetings scheduled with Lieutenant Governor Jennings at 2:00 p.m. and with Senator Webster at 4:30 p.m.. The next day, March 23, is a meeting with the governor to discuss the proposed medical college.

Vice President of Alumni Relations and Development, Bob Holmes, referenced a report given in the morning session of the Advancement Committee about the creation of the Life-Fulfilling Community. One of the first steps taken toward this effort was to create a non-profit corporation to be related to the university through an affiliation agreement. The corporation is to be chaired by John Lowndes and its board is being formed. Matt Weaver, executive vice president of Praxeis, the corporation selected to provide development and management services, gave a presentation on the concept that has been envisioned for the University of Central Florida. The development will resemble the Oak Hammock retirement community located at The University of Florida. He shared the estimated economic impact of such a project as follows:

- employment of 200 full-time equivalent employees
- payroll of \$9 million per year
- \$90 million of property value added to the tax roll

According to Weaver, the next step will be identifying a site for the project.

Holmes continued with a medical school philanthropy update and reported that UCF has received \$97.3 million of pledges for the medical college, including state matching funds and the value of the Tavistock Group's pledge of 50 acres at Lake Nona. This total includes a recent \$1 million donation from Walt Disney World that is eligible for state match.

In his stadium project update, Holmes indicated that visits are being made to secure naming rights; and, for the capital campaign, he announced that the total received thus far in cash and pledges is \$255 million, which does not include medical school commitments.

Trustee Albertson summarized a report given by Tom Huddleston, Vice President of Marketing, Communications, and Admissions, that covered university marketing, admissions statistics, sports marketing, and news and information. He highlighted the UCF Media Campaign that uses Lynx buses for advertising, the new *UCF Stands For Opportunity* brand campaign, and publications such as *UCF First Friday*, *Tribute*, and *News for Neighbors*.

EDUCATIONAL PROGRAMS

Trustee Judy Albertson, chair of the Educational Programs Committee, presented the following committee report:

- **EP-1: New Degree Programs** – A motion passed approving the following new degree programs:
 - a. **Bachelor of Science in Event Management** – The event industry—comprised of conventions, conferences, meetings, fairs, festivals, sporting events, and other activities—continues to grow at a robust pace. Event industry organizations are demanding trained and qualified personnel steeped in event management concepts and principles and with practical experience. This degree meets this evolving need, furthering the mission of the Rosen College of Hospitality Management with its professional expertise, industry roots, and impressive resources.
 - b. **Bachelor of Arts in Religious Studies** – Religious studies currently exists as a track in the humanities bachelor of arts degree offered by the Department of Philosophy. Approval of this degree elevates the track to an independent status, while keeping the same name, curriculum, and student audience. The Department of Philosophy requested this change for two primary reasons: 1) to award students in the program with degrees in religious studies rather than in humanities, with that designation on their diplomas, and 2) to make religious studies more visible.
 - c. **Bachelor of Science in Real Estate** – The Department of Finance in the College of Business Administration requested the establishment of a new undergraduate degree program in real estate to be administered from the newly established Dr. Phillips School of Real Estate. Top real estate undergraduate degrees are typically located in growing metropolitan areas and are affiliated with research institutes or centers, such as the Dr. Phillips School. There are currently twenty-six such institutes in the United States and two named real estate schools. Florida has neither.
- **EP-2: 2006-2007 and 2007-2008 Academic Calendars** – A motion passed approving UCF's 2006-2007 and 2007-2008 academic year calendars. A recent Board of Governors' resolution requires that the university Board of Trustees must approve the university's academic calendar prior to the beginning of each fiscal year. Calendars are reviewed and approved by the BOG staff to ensure that the university has followed the guidelines established in Rule 6C-8.001.

FINANCE

Trustee Phyllis Klock, acting chair of the Finance Committee in Trustee Conrad Santiago's absence, discussed the following committee items:

The board had the opportunity to accept the UCF unqualified audited financial statements for 2004-2005 continuing our excellent track. This report was presented by UCF Controller Linda Bonta and Audit Supervisor, Brenda Racis, of the Auditor General's Office. Trustee Klock referenced the Operating Budget Status Report presented by Director of University Budgets, Vanessa Fortier, which is an ongoing report that continues to be modified at the request of the committee and provides an excellent tool for the board. As a precursor to the discussion of fees, Fortier gave a presentation on tuition and total cost comparisons for Fall 2005 between UCF and other universities. The board found the report to be very instructive and helpful. In addition, Klock indicated that a very comprehensive discussion took place about student fees and reported that "certainly the board's interest will continue to be as conservative as it can be with regard to increasing fees while being assured that they are not discontinuing or diminishing student services."

Trustee Klock brought the following items before the board for approval:

- **FIN-1: 2006-2007 Student Health Fee Increase** – A motion passed approving the student health fee increase of \$1.35 per credit hour, recommended by the Fee Setting Committee to provide sufficient funding to sustain existing services in the Health Center and the Counseling Center until the beginning of the 2009-2010 academic year. The Fee Setting Committee, composed of 50% students, reviewed the information presented to support the proposed increase. And, a student forum sponsored by the Student Government Association was held to discuss the proposed increase with interested students.
- **FIN-2: Transportation Access Fee Increase** – A motion passed approving a \$1.50 per credit hour increase for the transportation access fee. Since the original intent last fall was to implement a \$2.00 increase and UCF was allowed to implement only a \$.44 increase, approval was requested for a \$1.50 fee increase for Fall 2006 to bring the transportation access fee to \$5.84 per credit hour. The Parking & Traffic Advisory Committee, as well as the Student Fee Increase Committee, represented by students, faculty, and staff, recommended the \$1.50 increase. The \$1.50 increase was further discussed during a student open forum.
- **FIN-3: 2006-2007 Parking Decal Fees Increase** – A motion passed approving a 5% increase for 2006-2007 parking decal fees. A parking decal fee increase is required to help generate sufficient revenue for the parking services operation on campus, to pay for the shuttle system, and to cover debt service payments for the parking garages. Other sources of revenue include the transportation access fee, traffic fines, and metered parking fees. The Parking and Traffic Advisory Committee, composed of

faculty, staff, and student representatives, recommended approval of the 5% decal increase for the 2006-2007 year.

- **FIN-4: Establishment of an Equipment Fee** – A motion passed approving the establishment of an equipment fee in select programs. The proposed equipment fee will be charged only to students using the equipment being supported by the fee. Examples include music majors paying an equipment fee to help bear the expense of their use of musical instruments and business majors paying a fee to support the computer labs. As stated in the revised FIN-4 document, no fee will exceed \$90 without special review and consent of the provost. All approved fees will be reviewed annually for continuing need and all expenditures will be reviewed annually for compliance with these provisions. All requests will be submitted to the UCF Faculty Senate Undergraduate Policy and Curriculum Committee for the use of undergraduate equipment or the UCF Faculty Senate Graduate Council for the use of graduate equipment. The board will be informed annually of all approved equipment fees at its March meeting.

- **FIN-5: Revised Bond and Direct Support Organization Project Lists** – A motion passed approving the revised lists of projects requiring legislative authority to sell bonds or to be financed and constructed by a direct support organization. At the September 22, 2005, meeting, the board approved lists of projects requiring legislative authority to sell bonds or to be financed and constructed by a direct support organization. The Board of Governors' staff requested additional information regarding several of the projects and the lists have been revised to include this information.

- **FIN-6: Minor Amendments to 2005 Campus Master Plan** – A motion passed approving minor amendments to the University of Central Florida campus master plan to add an Advanced Materials Processing and Analysis Center (AMPAC) and a police facility expansion. The purpose of the amendments is to include these two proposed facilities to the Capital Improvements and Urban Design Elements on the 2005 campus master plan. This will allow the university to construct an AMPAC facility on Neptune Drive on an existing concrete foundation and to construct an addition to the existing police building on Libra Drive. The minor amendments need only board approval for adoption.

- **Campus Construction Update** – Acting on behalf of Vice President for Administration and Finance, William Merck, Vanessa Fortier, Director of University Budgets, presented a campus construction update on the following projects:
 - Gemini Blvd. realignment
 - Psychology Building
 - Parking Garage V
 - north campus area
 - Convocation Center

- housing
- retail areas
- field areas

NEW BUSINESS

President Hitt mentioned a suggestion made in the Presidential Compensation and Evaluation Committee that there needs to be a better way of informing the board about direct support organization activity. Hitt recommended that every DSO have a place on its board for either the chair or the chair's designated trustee member. If board members feel that they are not being adequately informed, perhaps the chair or his designated trustee serving on the board could make a brief report at each board meeting.

Vice President and Chief of Staff, Beth Barnes, asked the board to submit to her, via fax, any topics they would like discussed in future meetings.

ANNOUNCEMENTS AND ADJOURNMENT

Chair Nunis announced the very important meeting with the Florida Board of Governors on March 23, 2006, and urged the board members to attend. He also announced that the next Board of Trustees' meeting will be held on May 25, 2006.

Since there was no further business, Chair Nunis adjourned the board meeting at 2:30 p.m.

Respectfully submitted: _____ Date: _____

John C. Hitt
Corporate Secretary