

**Minutes
Board of Trustees Meeting
University of Central Florida
September 18, 2008**

Chair Richard Walsh called the meeting of the UCF Board of Trustees to order at the Clark Maxwell, Jr., Lifelong Learning Center on the Brevard Community College campus in Cocoa, Florida, at 10:50 a.m. The following members attended the meeting:

The Honorable Judith A. Albertson
The Honorable Logan Berkowitz
The Honorable Manoj Chopra
The Honorable Micky Grindstaff

The Honorable Phyllis Klock
The Honorable Conrad Santiago
The Honorable Thomas Yochum

WELCOME

Chair Walsh welcomed the UCF board members. He thanked Dr. James Drake, President of Brevard Community College, and his staff members for their “spectacular and gracious hospitality.”

Walsh invited Dr. Drake to speak. Drake welcomed the UCF Board of Trustees and noted that BCC annually serves 37,000 students. Drake also noted that this is the 40th anniversary of the 2+2 partnership between UCF and Brevard Community College, as well as the 25th anniversary of the Clark Maxwell, Jr., Lifelong Learning Center, a facility shared by UCF and BCC.

James Theriac, chair of the BCC Board of Trustees, welcomed the UCF board to the Brevard Community College campus.

President John Hitt thanked Drake, Theriac, and the BCC staff members for their hospitality. He noted that it was a pleasure to have the UCF board meeting on the BCC campus and to celebrate the partnership between the two institutions.

Hitt noted that the creation of UCF regional campuses began forty years ago when Dr. Max King, president of BCC, and Dr. Charles Millican, president of UCF, created the successful 2+2 concept. Hitt announced that:

- UCF endorses the 2+2 model of delivering bachelor's degrees in partnership with BCC.
- There have been more than 12,000 2+2 graduates from UCF-BCC since the inception of the partnership.
- BCC is a member of our regional consortium, which guarantees admission to UCF for BCC graduates.
- More than 15,000 UCF alumni live in Brevard County.
- UCF takes seriously its role as Brevard County's state university and supports the partnership campuses in Cocoa and Palm Bay, as well as the Florida Solar Energy Center in Cocoa.

REMARKS AND INTRODUCTIONS

Hitt introduced Dr. Denise Young, Associate Vice President for the UCF Cocoa and Brevard Campuses. She called upon Ashley Harper and Rasheen Patrick, graduates of the 2+2 program, who discussed the impact of the UCF-BCC partnership on their lives. Young said, “Ashley and Rasheen are truly representative of the outstanding students we serve every day.”

Chair Walsh thanked Dr. Young and her staff members for their work on the UCF-BCC joint meeting. President Hitt thanked Harper and Patrick for sharing their experiences.

President Hitt provided current facts about UCF:

- Fall 2008 attendance is 50,616 students.
- UCF is the sixth largest university in the country.
- UCF has the second largest undergraduate program in the country.
- The Fall 2008 average SAT score for incoming freshmen is 1219 and the average GPA is 3.76.
- The Fall 2008 Honors College average SAT score for incoming freshmen is 1370 and the average GPA is 4.14.
- Fall 2008 Merit Scholars numbered 63.
- UCF awards more than 11,000 degree a year.
- UCF has awarded more than 180,000 degrees since its founding.
- More than 162,000 UCF alumni live in central Florida.

MINUTES

Chair Walsh called for approval of the minutes of the July 24, 2008, board meeting. The board approved the minutes.

CONSENT AGENDA

Chair Walsh called for approval of the consent agenda. Trustee Phyllis Klock moved the acceptance of the consent agenda and members of the board concurred.

- **BOT-1a Howard L. Lance Honorary Doctorate** – Approval of an Honorary Doctor of Science degree for Howard L. Lance.
- **BOT-1b Robert Vander Weide Honorary Doctorate** – Approval of an Honorary Doctor of Commerce degree for Robert Vander Weide.
- **AUD-1 Audit and Operations Review Committee Charter** – Approval of an updated charter for the Audit and Operations Review Committee.
- **EP-1 Tenure with Hire** – Approval of tenure for those faculty members who were hired with tenure in 2008.

AUDIT AND OPERATIONS REVIEW COMMITTEE REPORT

Trustee Conrad Santiago reporting for Olga Calvet, chair of the Audit and Operations Review Committee, reviewed the business of the August 18, 2008, committee meeting:

- The committee approved minor changes to its current charter.
- Amy Voelker, Director of University Audit, reviewed her process for tracking changes that were recommended as a result of audits. Administrators of the audited unit and staff members of University Audit agree on deadlines for the changes to be made, and University Audit uses these deadlines to review units for their compliance with audit recommendations. Ninety-four percent of all audit recommendations have been implemented.
- Committee members expressed concern about the ability to audit information technology functions because of the resignation of the information technology auditor. Trustee Yochum suggested looking into outsourcing the audit of functions associated with information technology.
- Scott Cole, Vice President and General Counsel, provided an overview of the formation and function of direct support organizations.
- The committee scheduled its next meeting for December 5, 2008.

EDUCATIONAL PROGRAMS COMMITTEE REPORT

Trustee Judy Albertson, chair of the Educational Programs Committee, recognized Dr. David Harrison, Vice Provost for Regional Campuses.

Dr. David Harrison thanked members of his administration and staff who were present. He also thanked Dr. Denise Young for her support of the efforts of Regional Campuses at the Cocoa and Palm Bay campuses.

Harrison then gave an overview of the partnerships UCF has with six community colleges in eleven Central Florida counties. He reported that there are now four joint-use facilities with community colleges and two more under construction. In cooperation with community college partners, the UCF regional campus system offers twenty-four bachelor's degree programs and eighteen minor degree programs. At the graduate level, eleven master's degree programs and two doctoral degree programs are available. The UCF regional campus system serves 8,500 students per semester, and an additional 10,000 students take online courses taught by Regional Campuses faculty members. More than 1,600 classes are offered each year.

The board thanked Harrison for his presentation and his outstanding work with the regional campus system.

Albertson then presented the following item for board approval:

- **EP-2 Preliminary University Compact: 2009-10** – A motion was made by Trustee Manoj Chopra and passed by the board to approve the 2009-2010 Preliminary University Compact, which the Florida Board of Governors requested. The university compact outlines the vision and priorities of each university and defines how each institution will accomplish the BOG's goals.

FINANCE COMMITTEE REPORT

Trustee Conrad Santiago, chair of the Finance Committee, reported on the business of the committee meeting:

- Maribeth Ehasz, Vice President for Student Development and Enrollment Services, reported that the Board of Governors approved the financing plan for the purchase of two fraternity houses.
- Ehasz reported that a third appraisal consultant has been contacted about price issues related to the Sigma Alpha Epsilon house. She hoped the price can be resolved in time for occupancy of the house in Fall 2009.
- Vanessa Fortier, Associate Vice President for Administration and Finance, reported on the operating budget. She stated that Education and General expenditures appear to be well under budget. The medical college's revenues are up and expenditures are below budget. Sponsored research continues to grow. Student activities are within budget. In addition, concessions expenditures are at expected levels.
- William Merck, Vice President for Administration and Finance, summarized the Support Agreement Fund Balances Report. He commented that the bond insurers require UCF to maintain a sum that is at least twice the maximum annual debt service. UCF currently has 8.1 times the required amount.
- Brad Stricklin, Associate Athletics Director for Business and Finance, UCFAA, gave a report on projections for The Golden Knights Corporation, which included revenues, expenditures, and debt associated with the stadium. Trustee Christiansen suggested that the column titled "Projected 2007-08" be changed to "Actuals 2007-08." He also requested a clarification of the information included in the "Sources to pay taxable debt" line.
- Santiago reported that the university has, thus far, invested its cash funds in only two accounts, the Special Purpose Investment Account (SPIA) and State Board of Administration (SBA) account. However, the committee has now established a work group to implement an investment plan that will provide greater flexibility for investing and managing cash reserves.
 - Santiago briefly explained participation in Certificate of Deposit Account Registry Service (CDARS), which allows an institution FDIC insurance on \$50 million in certificates of deposit. Deposits are made with one banking institution, but they are then divided into increments of not more than \$100,000 and distributed throughout the banks in the CDARS program. In this way, FDIC insurance covers all the funds. Approximately seven local banks participate in the program.

- To take advantage of the CDARS program, UCF funds have been allocated to four pools:
 1. cash reserves
 2. debt service due in one year
 3. debt service due in two to five years
 4. remainder, not to exceed 20% of the total cash available
- The plan is to keep Pool #1 funds invested in SPIA. Funds invested in the CDARS program will be taken from Pools #2 and #3. The levels in the respective pools will be revisited as the overall cash balance changes.
- Chair Walsh remarked that the purpose of the CDARS investment plan is to provide good fiduciary stewardship of university funds.

NOMINATING COMMITTEE REPORT

Trustee Phyllis Klock, chair of the Nominating Committee, reported on the business of the August 21, 2008, committee meeting:

- Discussions continued on the presidential selection process.
- Trustee Klock noted that the committee was developing a presidential selection process for use in the future and that there is no intent to implement the process at this time.
- The committee has refined and adopted the critical-success-factors document and the leadership statement. The committee will annually review both documents to keep them current.
- Trustee Klock noted that the committee had failed to consider the need for an interim president. However, the committee has now begun to discuss a process for identifying an interim president should one be needed.
- Trustee Klock noted that she had a lengthy discussion with Diana Morgan, who is current chair of the University of Florida Board of Trustees and who was vice chair of the University of Florida presidential search committee. Klock will report on that discussion at the next meeting.
- The next meeting of the Nominating Committee is October 1, 2008.

ANNOUNCEMENTS

Chair Walsh called on Dan Holsenbeck, Vice President for University Relations, who recognized State Senator Bill Posey and State Representative Ralph Poppell. Holsenbeck thanked both legislators for their outstanding service to UCF and BCC. Senator Posey and Representative Poppell thanked the BCC and UCF boards for their leadership and commitment to the community and state.

On behalf of the UCF board, Walsh thanked President Drake and BCC staff members for hosting the board meeting and the luncheon that followed.

The next Board of Governors' meeting will be held on September 25, 2008, at the University of South Florida.

The next Board of Trustees' meeting will be held on November 13, 2008, in the Live Oak Center at the University of Central Florida.

NEW BUSINESS

The BCC Board of Trustees convened with the UCF Board of Trustees to consider a joint resolution (Attachment A) reaffirming the partnership between Brevard Community College and the University of Central Florida.

The following BCC board members were present:

The Honorable James Theriac
The Honorable Dixie Sampson

The Honorable Steve Sharp
The Honorable Alberta Wilson

BCC President James Drake read the joint resolution, a copy of which is attached.

Motions to approve the joint resolution affirming the continuation of the nationally acclaimed 2+2 articulation model were made by BCC Trustee Dixie Sampson and UCF Trustee Phyllis Klock. Both boards approved their respective motions. The joint resolution was signed by Chair James Theriac and President James Drake for BCC and by Chair Rick Walsh and President John Hitt for UCF.

“This is not only the longest partnership between a community college and a state university in Florida, but also the strongest,” President Drake said.

President Hitt then said, “The UCF administration is delighted to work with this, the finest of partnerships in the nation, to serve the needs of Brevard County and all of Central Florida.”

ADJOURNMENT

Chair Walsh adjourned the board meeting at 11:55 a.m.

Respectfully submitted: _____ Date: _____

John C. Hitt
Corporate Secretary

Joint Resolution

UNIVERSITY OF CENTRAL FLORIDA
BREVARD COMMUNITY COLLEGE

WHEREAS, on this date the Boards of Trustees of Brevard Community College and the University of Central Florida have convened their respective meetings at the BCC-UCF Joint-Use Campus in Cocoa, Florida; and,

WHEREAS, four decades ago Presidents Emeriti Charles N. Millican and Maxwell C. King, of the institutions then known as Florida Technological University and Brevard Junior College, respectively, entered into an informal partnership in order to serve the educational and workforce-development needs of the emerging aerospace industry in Brevard County; and,

WHEREAS, the partnership between Brevard Community College and the University of Central Florida has served as a model for expanding access to affordable higher education for the citizens of Florida's Space Coast and High-Tech Corridor; and,

WHEREAS, the partnership between Brevard Community College and the University of Central Florida has resulted in the construction of two full-service campuses encompassing six major joint-use facilities designed to serve the higher-education needs of the citizens of Brevard County;

WHEREAS, the partnership between Brevard Community College and the University of Central Florida has enabled more than 12,000 students to earn baccalaureate degrees through Florida's nationally-acclaimed "2+2" articulation model; and,

WHEREAS, in 1997 Brevard Community College and the University of Central Florida entered into a collaboration for the planning and delivery of distance-learning initiatives for the residents of Florida's Space Coast; and,

WHEREAS, in 2005 Brevard Community College and the University of Central Florida became founding members of the Central Florida Higher Education Consortium, through which recipients of the Associate of Arts and selected Associate of Sciences degrees from Brevard Community College are guaranteed admission into the University of Central Florida; and,

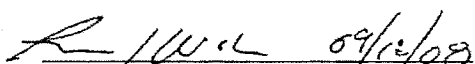
WHEREAS, during the 2008 session of the Florida Legislature, the leadership of both the Florida State University System and the Florida Community College System re-emphasized the importance, value, and legacy of Florida's "2+2" as a proven pathway to affordable baccalaureate degrees for citizens whose work and/or family responsibilities preclude their ability to travel to distant locations in order to pursue a bachelor's degree.

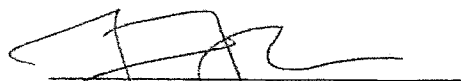
BE IT RESOLVED, THEREFORE, that the trustees and administration of the University of Central Florida reaffirm their commitment to the "2+2" model in partnership with Brevard Community College; and that the trustees and administration of Brevard Community College hereby reaffirm their commitment to the mission of a two-year public community college, and to the "2+2" model in partnership with the University of Central Florida.

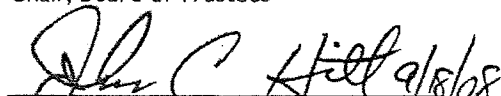
SIGNED AND ATTESTED TO on this date by the following representatives of the respective institutions:


UNIVERSITY OF CENTRAL FLORIDA

BREVARD COMMUNITY COLLEGE


Rick Walsh (Date) 09/12/08
Chair, Board of Trustees


James S. Theriac (Date)
Chair, Board of Trustees
2+2 Graduate (BCC '69 and UCF '71)


John C. Hitt (Date) 9/18/08
President


James A. Drake (Date)
President