

Minutes
Board of Trustees Meeting
University of Central Florida
March 19, 2009

Chair Richard Walsh called the meeting of the Board of Trustees to order in the *FAIRWINDS* Alumni Center on the University of Central Florida campus at 1:00 p.m. The following members attended the meeting:

The Honorable Judith Albertson
The Honorable Logan Berkowitz
The Honorable Olga Calvet
The Honorable Manoj Chopra
The Honorable Pat Christiansen
The Honorable Alan Florez

The Honorable Micky Grindstaff
The Honorable Phyllis Klock
The Honorable Harris Rosen
The Honorable Conrad Santiago
The Honorable Thomas Yochum

SPECIAL EVENT

Thomas Messina, Associate Vice President of the UCF Alumni Association, announced the partnership between White Stallion Productions of Oviedo and the UCF Alumni Association. White Stallion president and owner of the “World Famous” Lipizzaner Stallions, Gary Lashinsky, announced that his company would provide a Lipizzaner stallion to serve as a UCF mascot and would train members of the UCF Equestrian Club. The Lipizzaner Stallions performed on Memory Mall for the trustees.

WELCOME

Chair Walsh welcomed the board members and called for approval of the January 22, 2009, board meeting minutes, which were approved with one correction.

Walsh called on President John Hitt for opening remarks and introductions.

REMARKS AND INTRODUCTIONS

President Hitt announced that two of the trustees served by virtue of their offices and that their terms of service will end before the next board meeting.

Dr. Manoj Chopra served on the board for four years as president of the Faculty Senate. Hitt thanked him for his excellent service to the university. He and Walsh presented Chopra with a certificate of recognition.

Logan Berkowitz served on the board as president of the Student Government Association. Hitt thanked him for his excellent service to the university. He and Walsh presented Berkowitz with a certificate of recognition.

Hitt recognized **Dr. Thomas Huddleston**, Vice President for Marketing, Communications, and Admissions, who is retiring in April. Huddleston's career at UCF began in 1993. Hitt noted that Huddleston was responsible for increases in enrollment and student quality at UCF and congratulated him on his outstanding accomplishments.

Hitt recognized the following **Order of Pegasus 2009** awardees:

Graduate Recipients

- **Gregory Austin**
College of Business Administration
- **Mustafa Gul**
College of Engineering and Computer Science
- **Margaret Ann Shillingford**
College of Education

Undergraduate Recipients

- **Tamara Chaplin**
College of Education
- **Katherine Ferstadt**
Burnett School of Biomedical Sciences, College of Medicine
- **Ashley Jordan**
College of Sciences
- **Stephanie Morales**
Burnett School of Biomedical Sciences, College of Medicine
- **Ruth Strakosha**
Burnett School of Biomedical Sciences, College of Medicine

Hitt honored UCF basketball player **Jermaine Taylor**, who was named the Conference USA Player of the Year.

Hitt recognized members of the UCF faculty for recent achievements.

Dr. Deborah German, founding dean of the UCF College of Medicine, was named "Central Floridian of the Year" by the *Orlando Sentinel*.

Dr. Mary Lou Sole, professor in the College of Nursing, was inducted as a fellow into the American College of Critical Care Medicine.

Dr. Issa Batarseh and **Dr. Sudipta Seal**, professors in the College of Engineering and Computer Science, have been elected fellows by the American Association for the Advancement of Science.

Hitt announced that the Employee of the Month for February was **Scott Freeman**, a detective in the UCF Police Department.

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

CONSENT AGENDA

Chair Walsh announced that item BOT-3 would be removed from the consent agenda. Trustee Phyllis Klock moved the acceptance of the revised consent agenda, and members of the board concurred with the following actions:

- **BOT-1 Conferral of Degrees** – Concurrence with the conferral of degrees at the Spring 2009 commencement ceremonies:
 - 5,240 Baccalaureate Degrees
 - 823 Master’s Degrees
 - 132 Doctoral and Specialist Degrees
 - 6,195 Total

- **BOT-2 Revisions to the Presidential Performance and Compensation Review Policy** – Approval of a minor revision to the “Annual Review Outcomes” section of the Presidential Performance and Compensation Review Policy. The committee name and technical citations were updated, and editorial improvements were made.

- **BOT-4 Compensation and Labor Committee Charter** – Approval of the Compensation and Labor Committee’s document entitled “Compensation and Labor Committee Charter.”

- **NOM-1 Jerry Roth Honorary Doctorate** – Approval of an Honorary Doctorate in Commercial Science for Jerry Roth.

ADVANCEMENT COMMITTEE REPORT

Trustee Alan Florez, chair of the Advancement Committee, reported the highlights from the committee meeting earlier in the day.

- Fred Kittinger, Associate Vice President for University Relations, gave a legislative update indicating that UCF was well represented on the March 11, 2009, visit with legislative leaders in Tallahassee.
- Kittinger noted that the Facilities Bill, raising the bid ceiling to \$2 million and permitting the expenditure of donations eligible for the Courtelis Match, had passed its first committee.
- Florez announced that the Tuition Flexibility Bill, authorizing all SUS universities to charge differential tuition, was moving forward in committee.

- He also announced that funding for the UCF College of Medicine is well-positioned.
- Florez announced that Fred Kittinger and Dan Holsenbeck, Vice President for University Relations, would be working on a weekly legislative dashboard to inform the board members of key legislative issues.
- Huddleston presented the UCF Media Reputation Index, which is a statistical analysis of how UCF is portrayed in the media.
- Robert Holmes, Vice President for Alumni Relations and Development, indicated that annual giving is up from \$2.5 million last year to \$2.8 million this year, parent support is up significantly from last year, and endowment gifts are up from \$2.7 million last year to \$2.8 million this year.
- Holmes reported that the UCF Foundation's total budget is down 24% this year because of the current economic downturn.

AUDIT AND OPERATIONS REVIEW COMMITTEE REPORT

Trustee Olga Calvet, chair of the Audit and Operations Review Committee, reported that the committee had not met since the last board meeting. She reminded the trustees that they received in the mail the State of Florida Auditor General's Report on the university's audited financial statements, which received a clear opinion with no comments.

COMPENSATION AND LABOR COMMITTEE REPORT

Trustee Thomas Yochum, chair of the Compensation and Labor Committee, reported the highlights from the committee meeting of February 27, 2009.

- Yochum announced that the president and the vice presidents have chosen to defer their incentive payments because of current economic challenges.
- Yochum announced that revisions to the Presidential Performance and Compensation Review Policy were approved under item BOT-2, and the Compensation and Labor Committee Charter was approved under item BOT-4.
- Yochum explained that item BOT-3, Guidelines on the Appointment of Individuals Holding Public Office, would be taken up at the next board meeting.
- Yochum announced the retention of Dr. James Koch for the comprehensive evaluation of President John Hitt. Dr. Koch would be on campus for four days in April. Board members, as well as individuals on- and off-campus, will be contacted for their assessments.

EDUCATIONAL PROGRAMS COMMITTEE REPORT

Trustee Judy Albertson, chair of the Educational Programs Committee, reported the highlights from the committee meeting earlier in the day.

- Dr. Consuelo Stebbins, Assistant Vice President for Internationalization, gave a report on the internationalization program at UCF. She noted that 390 students planned to study abroad during the 2008-2009 academic year in 76 international programs in Latin America, Africa, Asia, and Europe.
- Daniela Blanchett, Mario De Pola, and Hicham Joroun shared their study abroad experiences with the board.

Albertson presented the following item for board approval:

- **EP-1 New Degree Program** – A motion was made by Albertson and passed by the board approving a 36-hour online Master of Science degree in health care informatics. The health care informatics degree will prepare students to develop the information systems and coding used to determine diagnoses and billing in hospitals. The proposed implementation date for the program is Fall 2009.

FACILITIES PLANNING COMMITTEE REPORT

Trustee Pat Christiansen, chair of the Facilities Planning Committee, reported the highlights from the committee meeting earlier in the day:

- Christiansen gave an overview of ten major projects on the Orlando campus and two at Lake Nona that are either in the design or construction phase. He noted that one project, the thermal storage tank, would result in a savings of \$700,000 on UCF's yearly electric bill. He reported that all projects are at or below budget, and all are on time.
- Christiansen remarked that the focus of all of the major projects is on energy conservation and achieving a silver or gold level of LEED certification.
- Christiansen reported on two relevant dates pertaining to the 2010 UCF Master Plan schedule: on April 16, 2009, there will be an informal informational session and on July 16, 2009, the first public hearing will be held.
- Walsh commended William Merck, Vice President for Administration and Finance, and Lee Kernek, Associate Vice President for Facilities and Safety, on their achievement of silver and gold levels of LEED certification on these major projects.

FINANCE COMMITTEE REPORT

Trustee Conrad Santiago, chair of the Finance Committee, reported the following highlights from the committee meeting held on February 25, 2009:

- Dr. Alison Morrison-Shetlar, Vice Provost and Dean for the Office of Undergraduate Studies, gave the annual report on equipment and facility fees. The total amount that will be generated for undergraduate fees is \$1.143 million per semester and the total amount that will be generated for graduate fees is \$149,025 per semester.
- Vanessa Fortier, Associate Vice President for Administration and Finance, reported on the operating budget for the six months that ended December 31, 2008. Preliminary estimates for annual credit hour production exceed the enrollment plan by 3.3 percent and the prior year by 4.3 percent. E&G expenditures do not reflect the \$11.7 million budget reduction that was implemented in January 2009. Lower E&G expenditures reflect the budgeting efforts of the departments. The College of Medicine expenditures are higher this year because of the need to hire staff and prepare for classes to begin in Fall 2009. Both student financial aid expenditures and revenue are up from last year.
- Merck reported that bond insurers require UCF to maintain reserves of at least 2.0 times the maximum annual debt service for the convocation center and the stadium projects. UCF currently has reserves that are 9.6 times the maximum annual debt service.
- Merck reported that his office circulated a request for proposals for an investment advisor for the university's cash balances and received seventeen responses. After review, a recommendation will be taken back to the Finance Committee for consideration.
- Merck reported that \$50 million of the university's cash balances is invested in the Certificate of Deposit Registry System program in increments of \$10 million for six- to fifteen-month investment durations. The interest rates for these investments range from 3.85 percent to 4.25 percent.
- Merck reported on a student initiative to establish a green fee for sustainability initiatives. State statutes do not currently allow this fee to be charged.
- Holmes reported that the UCF Foundation has three properties located in the Research Park: the Orlando Tech Center, the IST building, and the Research Pavilion. A request for proposals for refinancing the debt for these three properties was sent to 25 lenders. The total debt for this refinancing is more than \$20 million.
- Santiago reported that the discussion of item FINC-1 Establishing an eTuition Fee has been postponed.
- Santiago advised the board that there could be a number of time-sensitive budget items to come before the Finance Committee and the board because of the recent legislative session.

NOMINATING COMMITTEE REPORT

Trustee Phyllis Klock, chair of the Nominating Committee, reported on the committee meeting of March 13, 2009.

- The committee approved an honorary doctorate in commercial science for Jerry Roth.
- The committee presented its work on succession planning at the recent Board of Trustees' retreat. The committee learned that this work might be considered as a case study for use by the Association of Governing Boards if the committee adds a section on orientation.

NEW BUSINESS

A motion was made by President Hitt and passed unanimously by the board approving *vice president emeritus* status for Thomas Huddleston.

Trustees Chopra and Berkowitz individually offered words of gratitude to the board, and Trustee Berkowitz introduced his successor Brian Peterson.

ANNOUNCEMENTS AND ADJOURNMENT

Chair Walsh thanked staff members for their work on the recent board retreat. He also thanked Fred Kittinger, Dan Holsenbeck, and members of the board for their presence in Tallahassee on March 11, 2009. He thanked Tom Huddleston and Grant Heston, Assistant Vice President of News and Information, for providing the UCF Tool Kit.

Walsh announced that the Board of Governors' meeting is scheduled for March 25-26, 2009, at Tallahassee Community College.

The next Board of Trustees' meeting will be May 21, 2009, in the Live Oak Center on the UCF campus.

Founders' Day will be celebrated on April 1, 2009, in the Pegasus Ballroom of the UCF Student Union.

Chair Walsh adjourned the board meeting at 1:56 p.m.

Respectfully submitted: _____ Date: _____

John C. Hitt
Corporate Secretary