



Board of Trustees
Finance and Facilities Committee Meeting
President's Boardroom, Millican Hall, 3rd floor
August 17, 2016

MINUTES

CALL TO ORDER

Trustee Alex Martins, chair of the Finance and Facilities Committee, called the meeting to order at 8:30 a.m. Committee members Christopher Clemente, Keith Koons, and David Walsh were present. Committee member Robert Garvy attended by teleconference. Chairman Marcos Marchena was present.

MINUTES APPROVAL

The minutes of the June 27, 2016, Finance and Facilities Committee meeting were approved as submitted.

NEW BUSINESS

2016-17 College of Medicine Faculty Practice Plan Budget (FFC-1)

Deborah German, Vice President for Medical Affairs and Dean of the College of Medicine, David Noel, Associate Vice President for Administration and Finance for the College of Medicine, and Steve Omli, Director of Finance and Accounting of the College of Medicine, presented the 2016-17 College of Medicine Faculty Practice Plan budget. The College of Medicine's Faculty Practice Plan, UCF-Health, operates a clinic on University Boulevard that provides multi-specialty care to the community, as well as a second location in the Gateway building at the Lake Nona Health Sciences Campus. The committee unanimously approved the 2016-17 Faculty Practice Plan budget as presented.

2016-17 College of Medicine Faculty Practice Plan Budget (FFC-2)

German, Noel, and Omli discussed the 2016-17 College of Medicine Self-insurance Program budget. The Self-insurance Program provides comprehensive professional and general liability protection in connection with the delivery of health care services in the College of Medicine, College of Nursing, College of Health and Public Affairs, UCF Health Services, and Counseling and Psychological Services. The committee unanimously approved the 2016-17 Self-insurance Program budget as presented.

Student Housing Project for UCF Downtown at the Creative Village (FFC-3)

William F. Merck II, Vice President for Administration and Finance and Chief Financial Officer, Scott Cole, Vice President and General Counsel, and Jennifer Cerasa, Associate General Counsel, requested approval of the Memorandum of Understanding between the University of Central Florida and Ustler Development, and KUD International, for the development of the Student Housing Project for UCF Downtown at the Creative Village.

The housing is not on UCF property, and UCF is not funding the construction of the housing nor obligated to fund any shortfalls of the construction of the housing. The only agreements contemplated are the stated affiliation agreement, a management agreement with UCF Housing to manage the facility for a fee, and a lease agreement at the rate of \$17.25 per square foot for UCF's use of approximately 30,000 square feet in the building for student services. Trustee Walsh proposed a motion to remove from the MOU the provision stating the UCF Foundation will recognize the difference between the UCF rental rate for student services space and the market rate as an in-kind donation by the developer to the university, but the motion was not seconded. Chair Martins requested that the record show based on the board's previous significant concern with quality standards relative to the on-campus hotel that similar provisions find their way into the final development agreements.

The committee approved the MOU, with Chairman Marchena, Chair Martins, Vice Chair Garvy, Trustee Clemente, and Trustee Koons voting to approve. Trustee Walsh opposed.

Power Plant for the Downtown Campus (Tri-Generation Plant) Discussion

Merck and John Pittman, Associate Vice President for Administration and Finance, Debt Management, recommended that UCF enter into a state-approved performance-based contract with a company who will fund and build the UCF Downtown tri-generation plant. The cost of the plant is approximately \$17 million.

UCF has asked for proposals from five companies that have the means to build a facility of this type. Once the official proposals are received, they will be brought back to the committee. The project will require Board of Trustees and Board of Governors approval.

The committee requested additional options for financing the plant: financing projections for using the performance-based contract, the costs of UCF financing the project directly via a loan or operating lease through an entity such as a bank, and the costs of purchasing electricity and chilled water directly from Orlando Utilities Commission. Once all this information is gathered, the costs of the various options will be brought back before the committee.

University and DSO Debt Report (INFO-1)

Pittman reported that the University and DSO Debt Report was provided as an information item.

Athletics Facilities Update Discussion

Danny White, Vice President and Director of Athletics, and David Hansen, Executive Associate Athletic Director and Chief Operating Officer, as a follow-up to their presentation to the committee in April, reviewed the current status of their facilities projects. The committee requested accounting history and payback details for the new audio visual equipment at Bright House Networks Stadium and the CFE Arena. They also requested a full list of Athletics' facilities projects, their cost, and their funding sources. This information will be presented at the September 15, 2016, Finance and Facilities Committee meeting.

Nicholson Fieldhouse Discussion

Merck and Pittman discussed plans to expand the use of the Nicholson Fieldhouse. Emails are being sent to departments and personnel on campus to gauge the level of non-athletic use of the facility. If enough interest is garnered, this idea will be brought back to the board for further discussion.

Purchasing Department and Purchasing Card Presentation (INFO-2)

Greg Robinson, Director of Purchasing, presented an overview of UCF's Purchasing Department and Purchasing policies. Cristy Trask, Assistant Controller for Finance and Accounting, discussed UCF's Purchasing Card program, its benefits to the university, and the rules and regulations pertaining to cardholder possession and use.

Chair Martins adjourned the Finance and Facilities Committee meeting at 10:55 a.m.

Respectfully submitted: William F. Merck II 9-27-16
William F. Merck II Date
Vice President for Administration and Finance
and Chief Financial Officer