



UNIVERSITY OF CENTRAL FLORIDA

Board of Trustees
Finance and Facilities Committee Meeting
FAIRWINDS Alumni Center
March 21, 2019

MINUTES

CALL TO ORDER

Trustee Alex Martins, chair of the Finance and Facilities Committee, called the meeting to order at 11:15 a.m. Committee members Josh Boloña, Robert Garvy, John Lord, David Walsh, and Bill Yeargin were present. John Sprouls attended by teleconference. Trustees Ken Bradley, Joseph Conte, Danny Gaekwad, Beverly Seay, and Bill Self were present.

MEETING MINUTES

The minutes of the January 24, 2019, Finance and Facilities Committee meeting were approved as submitted.

NEW BUSINESS

Update Signature Authority for Checks (FFC-1)

Robert Caslen, Senior Counsel to the President, presented for approval the removal of three individuals from the list of designated personnel with signature authority for checks and the addition of one individual. William Merck, Tracy Clark, and Christina Tant are not currently working for UCF and need to be removed. Phillip Henson, Director, Finance and Accounting, needs to be added. The addition of Henson would give the university three authorized check signers: Joel Levenson, Associate Controller; Tera Alcala, Associate Controller; and Henson.

The committee unanimously approved the request to remove Merck, Clark, and Tant from the list of designated personnel with signature authority for checks and add Henson.

Autonomous Vehicle Shuttle Service and Minor Amendment to Align Campus Master Plan

Update (FFC-2)

Misty Shepherd, Interim Vice President for Administrative Affairs and Operations, and Elizabeth Klonoff, Vice President for Research and Dean of the College of Graduate Studies, presented for approval:

1. The deployment and research of autonomous vehicles (AV) shuttles on campus; allowing reasonable discretion to the Primary Investigator and advising UCF departments (Office of Research and Commercialization, Facilities Planning and Construction, Environmental Health and Safety, Transportation, Police, etc.), with regard to safety, scheduling, routes, and other factors.

2. A minor amendment to the 2015-25 Campus Master Plan Update (2015 CMP) to update the Transportation element to support the deployment of an autonomous vehicle (AV) shuttle service on campus as part of UCF's multi-modal transit system.

In 2018, UCF partnered with the Florida Department of Transportation (FDOT) for an Advanced Transportation and Congestion Management Technologies Deployment (ATCMTD) grant. FDOT was awarded \$11.9 million dollars, from which UCF will benefit through subsequent grant-funded projects.

UCF Facilities Planning and Construction (FP&C), Transportation and Parking, the Police, and Environmental Health and Safety (EH&S) met to propose AV shuttle routes to the Primary Investigator, Dr Mohamed Abdel-Aty, Chair of Civil, Environmental, and Construction Engineering.

Three routes were proposed, subject to change as the specifics of the grant proposal develop. Aligning the CMP with recommended routes would improve linkages between modes of travel and improve transit service within the campus core. Charging stations for the AV shuttles are proposed within the walled service yard of Health and Public Affairs I (Building 80). At the University Master Planning Committee (UMPC) meeting on February 10, 2019, Dr. Abdel-Aty presented the project; Renee Michel, Director of EH&S, voiced the support of the Office of Research; and FP&C presented the Minor Amendment and route recommendations. The UMPC unanimously approved.

Shepherd said that in order to enter into the next steps of an Invitation to Negotiate (ITN) for the provider of the autonomous shuttles, the university needs to revise the campus master plan to identify the three chosen shuttle routes. These revisions require the approval of the committee and the board.

Klonoff said this project has been in the works for several years. UCF receives about \$9 million in a flow-through from the FDOT, in cooperation with the City of Orlando and other local universities. UCF will be obtaining data on the use and effectiveness of autonomous vehicles. The committee is being asked today to approve a revision in the campus master plan that identifies the exact AV routes.

Klonoff added the data collection is for three years, while the CMP is for five years. The university UMPC felt it made sense for the board to approve this because the three-year commitment represented a large proportion of the master plan time period. She added the requested approval is only for the AV routes. There is no capital construction required by UCF. The FDOT will purchase the vehicles and handle the insurance.

Chair Martins stated for the record that he had spoken to staff at length, and he wants to clarify that this is not a capital project and no university funds are being used. Klonoff added that UCF students and postdoctoral students will be working on the project, but FDOT is paying for the vehicles and all associated expenses.

Trustee Boloña asked why those three routes were chosen. Susan Hutson, Assistant Director of Facilities Planning and Construction, said the UCF transportation systems do not address getting students, staff, and faculty from one type of transportation to other places on campus. Almost all shuttle stops are at the perimeter of campus. The Campus Master Plan states the university will

improve the transportation of people into the academic core of campus. These AV routes provide that access. One route is from a LYNX station to a shuttle station., the second route is from a shuttle station to the Student Union and the library, and the third is from the Student Union to Knights Plaza. ADA-friendly vehicles also will be used.

Shepherd added that Facilities and the Police Department also provided input on the placement of the three routes.

Boloña asked if more handicapped parking spaces will be added to the parking lots contained within the AV routes, given the ADA-friendly vehicles. Kris Singh, Director of Parking and Transportation Services, said that the 2020 Campus Master Plan moves general parking currently located on the inner core to outside parking. The inner core space is being devoted to the AVs and handicapped parking.

Chairman Garvy asked to what degree have they analyzed unintended consequences, such as bicycles and skateboards. Klonoff said that the goal of the data to be collected is just that. She has been told that the sensors in the vehicles are more accurate than golf carts being driven by a human, and the AVs should be safer. Singh added that the AV routes are separate from pedestrian routes (where skateboarders and bicyclists are permitted), so there should not be any interference.

Garvy also asked if the insurance coverage was approved by General Counsel. Shepherd said the CMP amendment must be approved before an ITN can be issued to obtain the providers for the AVs and subsequent insurance. The university will bring the insurance policy back to the committee for final approval.

Trustee Yeargin asked if the university can receive indemnification from the state, and Shepherd and Klonoff reiterated they cannot proceed with obtaining insurance until the CMP amendment is approved, but General Counsel can ensure the ITN is written to specify what insurance protections the university needs.

Trustee Walsh asked if the AV shuttles are in conflict with the regular shuttle service on campus. Singh confirmed that they would not be. Walsh also requested a sentence in the ITN for the insurance company that states UCF is not responsible for the payment.

Trustee Self expressed his appreciation that this item came before the UMPC before being presented to the trustees.

The committee unanimously approved 1) the deployment and research of autonomous vehicles (AV) shuttles on campus; allowing reasonable discretion to the Primary Investigator and advising UCF departments (Office of Research and Commercialization, Facilities Planning and Construction, Environmental Health and Safety, Transportation, Police, etc.), with regard to safety, scheduling, routes, and other factors, and 2) a minor amendment to the 2015-25 Campus Master Plan Update (2015 CMP) to update the Transportation element to support the deployment of an autonomous vehicle (AV) shuttle service on campus as part of UCF's multi-modal transit system.

Caslen introduced Brad Hodum, Interim Controller, who provided an update on the UCF investments portfolio for the quarter that ended December 31. Hodum stated that the university's portfolio had a \$9.9 million loss for the quarter. However, it rebounded and had gains of \$7.3 million in January and another \$2.9 million in gains in February, so the portfolio is now at a small gain overall. He also said the portfolio was rebalanced in October, and \$10.4 million was moved from equities into fixed income. In addition, on January 31, 2019, \$24.3 million of unrealized gains was realized.

Martins highlighted to the committee that the portfolio met all of the standards on the structured investment portfolio investment policy compliance checklist.

Garvy asked if following the sale of securities if the equities percentage remained the same, particularly in Pool IV.

Troy Brown, Executive Director of &Co (the university's portfolio manager), said the rebalancing in October was a sale and then subsequent transfer to fixed income, which moved the equities in Pools III and IV back to their target allocation. The January 31 realization of gains was a simultaneous sale and repurchase, working with their partner Vanguard. This was a shift from unrealized to realized, so no change in the overall equity portfolio occurred.

Trustee Seay said these realized gains are what she referenced at last week's meeting for the refunding of E&G funds used for Trevor Colburn Hall.

Garvy asked if allocations for Pool IV at the end of February are consistent with the end of December, and Brown confirmed that they were.

Walsh asked if the realization of gains was on the report. Brown said no, because that action took place in January, but this report is for the period that ended December 31.

No Fee Increases for 2019-20 (INFO-2)

Caslen presented for informational purposes that no fees are being increased for 2019-20. The university is committed to keeping costs as low as possible for students and their families, while maintaining a high-quality education. This allows students to complete their undergraduate education with as little debt as possible. When tuition and fees do not increase, students may not have to work as much while they are enrolled, allowing time to focus more on their education and graduate sooner.

Two areas did request fees but were denied by the President's Office:

- The College of Medicine requested a three percent increase in the medical school tuition rate.
- UCF Online requested:
 - to rescind the partial waiver of the non-resident fee for online student; and
 - to raise the Distance Learning fee from \$18 per credit hour to \$30 per credit hour to match other State University System institutions.

Steve Omli, Assistant Dean of Medical School Finances, said this is the fifth year the College of Medicine revenues have stayed flat, yet costs are increasing, and they have hired additional

faculty. Also, the College's revenue is independent from the rest of the university. The three percent raise would still put them below the 25th percentile nationally for tuition rates and the lowest in the state. He said it is important for them to find a way to increase their recurring E&G revenue going forward.

Martins asked for the impact on these programs for the coming year because of the fee requests being denied. Omli said they are developing their budget now, and they are considering not filling open faculty and staff positions.

A robust dialogue with input and questions from all the trustees discussing if the College of Medicine and UCF Online fees could potentially be raised for 2019-20 followed. It was decided based on feedback from Provost Elizabeth Dooley and Interim President Thad Seymour to wait until the next academic year to pursue fee increases so the information could be properly researched, organized, and presented to the trustees with ample time to review.

Technology Fee Update (INFO-3)

Joel Hartman, Vice President for Information Technologies and Resources and Chief Information Officer, and Dooley presented as an information item a summary of the disbursement of the technology fee dollars for 2018-19 and prior years. Total funding of \$18,755,019 was requested for 2018-19, of which \$7,248,742 was awarded to 16 colleges or units.

Hartman said that the Technology Fee was authorized by the Florida Legislature in 2007 and adopted by the UCF Board of Trustees effective in 2009-10. The purpose of the fee is to fund instructional technology resources for students and faculty. The Technology Fee Committee submits an RFP campus-wide each fall. The proposals submitted are reviewed and ranked by the committee, which consists of 16 members: Eight undergraduate and graduate students, four faculty members, one representative from the Faculty Center for Teaching and Learning, two representatives from Information Technology and Resources, and then Hartman serves as the non-voting Chair.

The committee received 94 proposals requesting more than \$18.7 million in resources. They were able to fund 45 proposals.

Martins clarified this is the awarding of the dollars accumulated from the Technology Fee, not a fee increase request.

Campus Master Plan Public Comment Meeting Minutes (INFO-4)

Shepherd and Bill Martin, Director of Facilities Planning, presented as an information item the minutes from the December 19, 2018 Campus Master Plan Public Comment meetings. Trustee Bradley asked if the meetings are open to anyone. Martin confirmed that they were, and Martins added the attendees tend to be neighbors. Martin added it is primarily neighbors to the east of campus.

2018 Capital Projects Summary (INFO-5)

Martins requested that because of time constraints this item be tabled and presented at the next Finance and Facilities Committee meeting, allowing sufficient time to discuss it.

He also said he has attempted a tour of those buildings for the trustees. He is still interested in having that tour and one of the UCF Downtown Campus prior to its opening. He will work with staff to schedule those.

OTHER BUSINESS

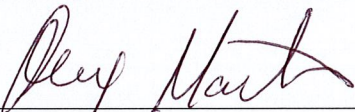
L3 Building Lease

Trustee Walsh requested that the arm's-length lease between the university and the UCF Foundation for occupancy of the L3 Building, a condition of the trustees approving the L3 Building purchase at the August 15, 2018, Finance and Facilities Committee meeting, be brought to the committee for approval before it is signed. Scott Cole, Vice President and General Counsel, said the lease will not be signed until it is approved by the board. Martins asked that the lease be placed on the agenda for the next committee meeting.

(Note: In the afternoon's board meeting, Cole clarified that the lease had been signed but he would work with the UCF Foundation to provide a copy of the lease agreement at the next Finance and Facilities Committee Meeting.)

Martins adjourned the Finance and Facilities Committee meeting at 12:15 p.m.

Reviewed by:

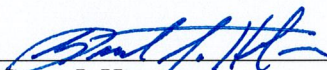


Alex Martins
Chair, Finance and Facilities Committee

5-16-19

Date

Respectfully submitted :



Grant J. Heston
Associate Corporate Secretary

5/22/19

Date