



UNIVERSITY OF CENTRAL FLORIDA

**Board of Trustees  
Compensation and Labor Committee  
Special Meeting  
March 21, 2019  
9:00 a.m. – 9:30 a.m.  
FAIRWINDS Alumni Center  
800-442-5794, passcode 463796**

**AGENDA**

**I. CALL TO ORDER**

John Sprouls  
*Chair, Compensation and Labor Committee*

**II. ROLL CALL**

Elizabeth Richner  
*Coordinator, Human Resources*

**III. MEETING MINUTES**

- [November 15, 2018, meeting minutes](#)

Chair Sprouls

**IV. NEW BUSINESS**

- Interim President Employment Agreement between the UCF Board of Trustees and Thaddeus Seymour Jr. ([CLC-1](#))
- Termination of further payments to John Hitt pursuant to the Performance Unit Plan ([CLC-2](#))

Chair Sprouls  
Robert Garvy  
*Chairman, Board of Trustees*

Chair Sprouls  
Board Chairman Garvy

**V. CLOSING COMMENTS**

Chair Sprouls



UNIVERSITY OF CENTRAL FLORIDA

**Board of Trustees  
Compensation and Labor Committee  
November 15, 2018**

**MINUTES**

**CALL TO ORDER**

Chair John Sprouls called the meeting to order at 8:30 a.m. The following committee members attended the meeting: Chairman Marcos Marchena, Chair John Sprouls, Vice Chair David Walsh, Joseph Conte, and John Lord. Trustees Ken Bradley and William Self also attended the meeting.

**MEETING MINUTES**

The minutes of the September 27, 2018, meeting were approved as submitted.

**NEW BUSINESS**

Proposed Presidential Goals (INFO-1) Chair Sprouls provided an overview of President Whittaker's proposed goals for 2018-19 and introduced President Whittaker to further elaborate on his proposal. After discussion, Sprouls affirmed that the committee will further address presidential goals as part of the presidential review process.

**CLOSING COMMENTS**

Chair Sprouls adjourned the meeting at 8:46 a.m.

Reviewed by:

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John Sprouls  
Chair  
Compensation and Labor Committee

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Date

Submitted by:

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Grant J. Heston  
Associate Corporate Secretary

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Date

**ITEM: CLC-1**

**UCF BOARD OF TRUSTEES  
March 21, 2019**

**Title:** Approval of Interim President Employment Agreement between the UCF Board of Trustees and Thaddeus Seymour Jr.

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**Background:**

On February 21, 2019, the Board of Trustees appointed Thaddeus Seymour Jr. as Interim President with the intention to move promptly to appoint a long term interim president. Based on feedback from Legislators, the Board of Governors, Trustees, and staff, it is the consensus view that Dr. Seymour is exceptionally qualified to act as Interim President for a long term until the search for a permanent president is conducted and the successful candidate is in place. The intent is to commence the search for the permanent president this Fall, with a start date of June or July 2020. The appointment of Dr. Seymour as a long term interim president will require approval of the Board of Governors pursuant to BOG Regulation 1.001(5)(d).

**Issues to be Considered:**

Whether to approve the attached Interim President Employment Agreement for Dr. Seymour.

**Alternatives to Decision:**

Deny the proposed Interim President Employment Agreement and move forward with hiring an interim president from an outside source.

**Fiscal Impact and Source of Funding:**

The salary of \$506,000 is funded through E&G and Foundation funds.

**Recommended Action:**

Approve the proposed Interim President Employment Agreement.

**Authority for Board of Trustees Action:**

BOG Regulation 1.001(5)(d)

**Committee Chair or Chairman of the Board approval:**

Committee Chair John Sprouls approved the agenda and all supporting documentation.

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**Submitted by:**

Robert Garvy, Chairman, Board of Trustees

**Supporting Documentation:**

Attachment A: Proposed Interim President Employment Agreement

Attachment B: Thad Seymour Biography

Attachment C: Thad Seymour Curriculum Vitae

**Facilitators/Presenters:** N/A

## Attachment A

### INTERIM PRESIDENT EMPLOYMENT AGREEMENT

This Interim President Employment Agreement ("Agreement"), is entered into by and between the University of Central Florida Board of Trustees (the "Board," or the "Board of Trustees"), and Thaddeus Seymour Jr. ("Dr. Seymour") and shall become effective as of February 21, 2019. The Board and Dr. Seymour may hereinafter be collectively referred to as "the Parties."

#### RECITALS

WHEREAS, the Board of Trustees has appointed Dr. Seymour as interim president on a short term basis and would like to extend his term until a permanent president has been hired and begins employment; and

WHEREAS, Dr. Seymour is willing to serve as Interim President until a permanent president begins his employment;

WHEREAS, the parties desire to memorialize the terms and conditions of Dr. Seymour's employment as Interim President of UCF in this agreement.

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions contained herein, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

**Section 1.0 Term.** The Board shall employ Dr. Seymour as its Interim President for a term beginning on February 21, 2019. Dr. Seymour will serve as Interim President at the pleasure of the Board and may be replaced at any time with or without cause.

**Section 2.0 Powers and Duties.** Dr. Seymour shall be the Interim President of the University, subject to UCF regulations and policies, and supervision by the Board. Dr. Seymour shall have the powers and duties reserved to the position of President by the Delegation of Authority to the President dated October 26, 2017 and as established from time to time by the Board (collectively, the "Duties").

#### **Section 3.0 Compensation.**

**Section 3.1 Annual Base Salary.** As compensation for the services as Interim President, the Board shall provide Dr. Seymour with an interim salary supplement to his current salary to bring his base salary to \$506,000. No more of this amount than is allowed by Florida Statutes shall be paid from public funds. The base salary shall be payable according to the pay plan for administrative and professional employees at the University, with appropriate deductions for taxes and benefits.

## **Attachment A**

**Section 3.2 Incentive Compensation.** Dr. Seymour shall continue to be eligible for an annual incentive award, established in accordance with the Performance Unit Plan (PUP) approved by the Board, based on his status as Vice President for Partnerships and Chief Innovation Officer.

### **Section 4.0 Benefits.**

**Section 4.1 Standard Benefits.** While employed as University Interim President, Dr. Seymour shall be eligible to participate in all present and future benefit plans maintained by the University for administrative and professional employees. Such benefits shall include, without limitation, health care, disability and life insurance programs, retirement plans, tax-deferred savings plans, flexible spending accounts, and vacation and sick leave.

**Section 4.2 Business/Travel Expenses.** While employed as Interim President, the University shall cover the cost of Dr. Seymour's reasonable business expenses, including professional dues, meetings, business travel, and business entertainment.

**Section 5.0 Outside Activities.** Dr. Seymour agrees to faithfully, industriously, and with maximum application of experience, ability, and talent, devote full-time attention and energies to his duties as President. The expenditure of reasonable amounts of time for personal or outside business, as well as charitable and professional development activities, shall not be deemed a breach of this Agreement, provided such activities do not interfere with the Duties. Dr. Seymour shall not engage in any activity that may be competitive with or adverse to the best interests of the Board and the University.

### **Section 6.0 Termination/Resignation**

**Section 6.1 Termination.** The Board may terminate this Agreement and Dr. Seymour's employment hereunder at any time, with or without cause. Upon termination, Dr. Seymour shall return to his role as Vice President for Partnerships and Chief Innovation Officer and his salary supplement will be terminated.

**Section 6.2 Resignation as President.** In the event Dr. Seymour resigns his employment as Interim President of the University in a timely manner that is acceptable to the Board, he will return to his position as Vice President for Partnerships and Chief Innovation Officer at his regular salary.

**Section 7.0 Severability and Waiver.** If any portion of this Agreement shall be held to be invalid, inoperative, or unenforceable, then, so far as possible, effect shall be given to the intent manifested by the portion held invalid, inoperative, or unenforceable, and the remainder of this Agreement shall remain in full force and effect. No waiver or failure to enforce any or all rights under this Agreement by either party on any occasion shall constitute a waiver of that party's right to assert the same or any other rights on that

## Attachment A

or any other occasion.

**Section 8.0 Governing Law.** This Agreement shall be interpreted and construed, and the rights and obligations of the parties hereto shall be determined in accordance with the laws of the State of Florida, excluding its choice of law rules.

**Section 9.0 Counterparts.** This Agreement may be executed in counterparts, and by the parties on separate counterparts each of which, when so executed, shall constitute but one in the same instrument.

**Section 10.0 Modification of Agreement.** This Agreement represents the complete understanding of the parties and supersedes any previous or contemporaneous written or oral representations made by either party. There are no other promises, understanding, obligations, inducements, undertakings, or considerations between the parties or owed by either party to the other that are not set forth in this Agreement. This Agreement may be modified or amended only by mutual written consent of the parties.

**Section 11.0 Personal Contract.** The obligations and duties of Dr. Seymour shall be personal and not assignable or delegable in any manner whatsoever. This Agreement shall be binding upon and inure to the benefit of Dr. Seymour and his executors, administrators, heirs, successors, and permitted assigns, and upon the University and its successors and assigns.

**Section 12.0 Understanding of the Agreement.** Both parties represent that they have thoroughly read this Agreement, that they understand it to be a binding contract, that they understand each provision, term, and condition of this Agreement as well as its legal effect, and that they have signed the Agreement voluntarily and of their own free will with the intention to comply with its terms.

**Section 13.0 Disclosure of the Agreement.** Both parties agree and acknowledge that this Agreement may be subject to the Florida public records law, Chapter 119, or other provisions, and may, therefore, be subject to disclosure by and in the manner provided for by law.

**Section 14.0 Miscellaneous.** The headings in this Agreement are for convenience only and shall not be used in construing or interpreting this Agreement. The terms "Board," "Board of Trustees" and "University" as used herein, where applicable or appropriate, shall be deemed to include or refer to any duly authorized board, committee, or officer of said entity. Whenever the context requires, the masculine shall include the feminine and neuter, the singular shall include the plural, and conversely.

IN WITNESS WHEREOF, the Interim President and the authorized representative

## **Attachment A**

of the Board of Trustees have executed this Agreement to be effective as of February 21, 2019.

University of Central Florida Board of  
Trustees

By: \_\_\_\_\_  
Robert Garvy  
Chairman

\_\_\_\_\_  
(Date)

By: \_\_\_\_\_  
John R. Sprouls  
Chair, Board of Trustees Compensation and Labor  
Committee

\_\_\_\_\_  
(Date)

By: \_\_\_\_\_  
Dr. Thaddeus Seymour Jr.

\_\_\_\_\_  
(Date)

## Attachment B



UNIVERSITY OF CENTRAL FLORIDA

# Thad Seymour, Jr., Ph.D.

*Interim President  
Vice President for Partnerships  
and Chief Innovation Officer*

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Thad Seymour was selected as interim president by UCF's Board of Trustees on Feb. 21, 2019. Thad also serves as UCF's Vice President for Partnerships and Chief Innovation Officer, focused on expanding and deepening the university's partnerships and enhancing UCF's ability to cultivate the talent needed to strengthen and diversify Central Florida's economy.

Prior to his current role, Thad spent two years leading efforts to bring UCF Downtown to life and positioning the campus, which will open in August, as an innovative model of 21st-century higher education. Before that, he led the development of UCF's Collective Impact Strategic Plan, which was unanimously approved by the UCF Board of Trustees in May 2016.

Before UCF, Thad's three-decade business career included senior executive roles with large healthcare and technology companies, as well as multiple early stage businesses. As senior vice president of Tavistock Development Company, he led strategy and business development for Lake Nona Medical City and helped bring more than \$3 billion in health and life sciences investment to the fast-growing innovation cluster. Thad also led the recruitment of the United States Tennis Association to Orlando to build the nation's largest tennis complex, and founded and served as president of the Lake Nona Institute, a not-for-profit organization committed to driving innovative collaboration among Lake Nona's diverse partners, including health and wellness, education and sustainability. It also hosts the widely acclaimed annual Lake Nona Impact Forum.

Thad served as a board member of BioFlorida and was the 2015 recipient of the BioFlorida Leadership Award. He co-chaired bioOrlando and is a past chair of the Florida Research Consortium. Within the Orlando community, Thad has served on the board of Visit Orlando and the president's advisory council of Valencia College. He is a past chair of StarterStudio, a nonprofit entrepreneurial support and co-working organization in downtown Orlando, and Shepherd's Hope, which provides free medical care to more than 20,000 uninsured patients throughout Central Florida. Thad currently serves as an executive committee member of the Orlando Economic Partnership.

Thad holds a Bachelor of Arts in History from Dartmouth College and a Master of Arts and doctorate, both in History, from the University of Wisconsin. He also holds an MBA from the Kellogg School of Management at Northwestern University. He and his wife, Katie Glockner Seymour, have three grown children.

## Attachment C

**THADDEUS SEYMOUR, JR., PH.D.**

P.O. Box 160002

Orlando, FL 32816-0002

407.823.2484

thad.seymour@ucf.edu

**SUMMARY OF EXPERIENCE**

Experienced academic leader and corporate executive with demonstrated success in leading senior teams in higher education and fast-growing private and public companies. Proven general management skills, with strong functional experience in strategy, mergers and acquisitions, business development, marketing, sales, professional services, and finance. Industry experience in multiple vertical markets, with particular strength in higher education, healthcare, technology, and real estate development. Extensive experience with venture-backed companies. A passionate strategist and advocate for regional and statewide economic development. Academic background and experience, with track record of collaborations among universities, independent research institutes, charitable foundations, and a wide range of not-for-profit organizations. Collaborative, strategic leader with high sense of urgency and relentless focus on innovation and value creation.

**EXPERIENCE**

<b>Sept. 2015 to Present</b>	<b>UNIVERSITY OF CENTRAL FLORIDA</b>	<b>ORLANDO, FL</b>
	One of the nation's largest research universities with over 68,000 students, a highly respected faculty, and a national reputation for partnership and innovation.	
7/18-present	<b>Vice President for Partnerships and Chief Innovation Officer</b>	
	Creating new division to amplify the university's impact through strategic partnerships and both internal and external innovation efforts. Areas included in the division include the UCF Downtown campus, the Center for Higher Education Innovation, corporate partnerships, community-focused entrepreneurship programs, economic development, community relations, and the Florida High Tech Corridor.	
6/16-6/18	<b>Vice Provost for UCF Downtown</b>	
	Led the development and preparation for opening of a new urban campus in partnership with Valencia College that will welcome approximately 7,700 students in August 2019. Developed unique and strategic community and corporate partnerships that will amplify the economic, social, and cultural impact of the university on downtown Orlando and beyond.	
9/15-5/16	<b>Senior Advisor to the Provost for Strategic Planning</b>	
	Under the direction of the provost, led the development of the university's aspirational Collective Impact Strategic Plan, approved by the UCF Board of Trustees in May 2016. Oversaw multiple teams of university and community stakeholders, collaborated with university senior leaders and trustees, and developed a high-quality, metric-driven, 20-year roadmap for the university.	
<b>May 2008 to June 2015</b>	<b>TAVISTOCK DEVELOPMENT COMPANY</b>	<b>ORLANDO, FL</b>
	Privately held real estate development company affiliated with the Tavistock Group, an international private investment organization. Tavistock Development Company has developed Lake Nona Medical City and the surrounding community comprised of over 7,000 acres.	
12/12-6/15	<b>Senior Vice President</b>	
	Oversaw business development, marketing, sales, strategic alliances, and new ventures for Lake Nona project. \$3 billion in construction since 2007 has established a robust platform on which the project will continue to grow over the next several decades.	

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12/09–3/16	<b>President, Lake Nona Institute</b> Founded and led the not-for-profit organization committed to driving innovative collaboration among a diverse set of partners using Lake Nona as a living laboratory in the arenas of health and wellness, education, and sustainability. The Institute created and hosts the annual Lake Nona Impact Forum, among multiple other collaborative research and innovation initiatives.	
05/08–12/12	<b>Vice President and General Manager, Health and Life Sciences</b> Responsible for development and execution of Medical City strategy, working with the partner organizations, and developing external strategic alliances with national and global companies.	
<b>Nov. 2004 to May 2008</b>	<b>CURASCRIP, INC. (a subsidiary of Express Scripts, Inc.)</b> \$4 billion specialty pharmacy and distribution subsidiary of Express Scripts, Inc. (Fortune 150 Pharmacy Benefit Management company), dispensing and distributing expensive, hard-to-handle biotech drugs to patients, physicians, and alternate site settings.	<b>ORLANDO, FL</b>
10/05–5/08	<b>Vice President, Marketing and Corporate Communications</b> Responsible for marketing, strategy, and communications across CuraScript's four business units, which generated nearly \$100 million in EBITDA.  <ul style="list-style-type: none"> <li>• Reported to CuraScript CEO with responsibility for marketing strategy development and execution.</li> <li>• Successfully led entire rebranding of CuraScript following 2005 Priority Healthcare acquisition.</li> <li>• Led marketing team of 16 professionals with \$4.4 million budget supporting \$4 billion in revenue.</li> </ul>	
11/04–10/05	<b>Vice President, Corporate Development (Priority Healthcare, acquired October 2005)</b> Responsible for driving company strategy and accelerating growth through acquisitions. Led management team in defining transformational strategy to become a healthcare services company. \$1.3 billion sale to Express Scripts represented a 58% market cap increase since joining the company.  <ul style="list-style-type: none"> <li>• Negotiated immediately accretive \$32 million infusion pharmacy acquisition in Louisville, KY.</li> <li>• Built strong deal pipeline and doubled acquisition capital pool from \$200 million to \$400 million.</li> <li>• Project managed Priority Healthcare teams through the Express Scripts sale process, including due diligence, definitive agreement drafting, communications, and regulatory/shareholder filings.</li> </ul>	
<b>July 2003 to Oct. 2004</b>	<b>CFSE BUSINESS SERVICES, INC.</b> Financial advisory and strategic consulting firm affiliated with Chastang, Ferrell, Sims & Eiserman, LLC, then the largest regional accounting firm in Central Florida.  <b>President</b> Worked with growth companies to provide strategic and financial advisory services, including M&A assistance, capital raising, interim management, business valuation, and strategic consulting.  <ul style="list-style-type: none"> <li>• Sold wireless public safety software business to publicly held acquirer.</li> <li>• Provided valuation and business strategy assistance to multiple client companies.</li> <li>• Board chairman and consultant to assistive technology company.</li> </ul>	<b>WINTER PARK, FL</b>

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<b>Jan. 2000 to June 2003</b>	<p><b>PERFORMANCE PARTNERS</b></p> <p>Management consulting firm established to improve the operational execution of clients through business strategy refinement, executive team development, interim management, and capital-raising.</p> <p><b>Principal</b></p> <p>Worked with high-potential clients to accelerate growth, establish a scalable infrastructure, and develop sustainable value in the business.</p> <ul style="list-style-type: none"> <li>• <i>Co-founder and chairman of software firm (acquired in 2005, sold to Oracle).</i></li> <li>• <i>Chairman and consultant to Web content management tools provider (acquired in 2002).</i></li> <li>• <i>Enhanced strategy and partnership opportunities for Chicago-based healthcare ASP provider.</i></li> </ul>	<b>LAKE MARY, FL</b>
<b>Jan. 1995 to Dec. 1999</b>	<p><b>AVIO CORPORATION</b></p> <p>A venture-backed healthcare software company. Acquired by Shared Medical Systems (SMS) in 1999, which was subsequently acquired by Siemens in 2000.</p> <p><b>President and Chief Operating Officer</b></p> <p>Full operating responsibility for high-growth clinical software business for large physician groups.</p> <ul style="list-style-type: none"> <li>• <i>Raised \$22 million in venture capital and strategic partner equity financing.</i></li> <li>• <i>Software twice recognized as Microsoft Healthcare Product of the Year.</i></li> <li>• <i>Negotiated and closed \$20 million+ distribution agreement with largest partner.</i></li> <li>• <i>Negotiated and closed multi-million-dollar global contract with large auto manufacturer.</i></li> </ul>	<b>MAITLAND, FL</b>
<b>1992 to 1994</b>	<p><b>HBO &amp; COMPANY (now McKesson)</b></p> <p>A leading provider of hospital information systems. Previously IBAX Healthcare Systems (a Baxter and IBM joint venture), acquired by HBOC in June 1994.</p>	<b>LONGWOOD, FL</b>
<b>9/92-12/94</b>	<p><b>Vice President and General Manager, Series 3000 and Value Added Products</b></p> <p>Responsible for all functions of five highly profitable business units and new product development.</p> <ul style="list-style-type: none"> <li>• <i>Responsible for Pharmacy, Operating Room, and Small Hospital businesses, with staff of 70.</i></li> <li>• <i>Grew Operating Room business 70% and increased Pharmacy profit margin to best in the industry.</i></li> <li>• <i>Led post-acquisition effort to ensure successful transition for one of first HBOC acquisitions.</i></li> </ul>	
<b>1/92-9/92</b>	<p><b>Director, Strategic Planning and Marketing</b></p> <p>Responsible for company strategic planning and marketing communications. Reported to CEO.</p> <ul style="list-style-type: none"> <li>• <i>Initiated and led process to define strategy for each product line in company turnaround. Resulted in company reorganization and return to profitability in 1993.</i></li> <li>• <i>Managed corporate communications and completed successful company repositioning.</i></li> </ul>	

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<b>1987 to 1991</b>	<b>PANSOPHIC SYSTEMS, INC.</b>	<b>LISLE, IL</b>
	A publicly traded \$200 million systems and applications software company. Acquired by Computer Associates (Islandia, NY), 1991.	
10/90-12/91	<b>Director of Operations and Marketing</b>	
	Responsible for Customer Service, Operations and Marketing for \$160 million Systems Software Division.	
5/89-9/90	<b>Manager, Midrange Sales and Industry Marketing</b>	
	General management responsibility for IBM midrange-systems software business.	
7/87-4/89	<b>Strategic Planning Manager</b>	
	Led financial team for six prospective acquisitions and coordinated \$40 million budget.	
<b>1984 to 1985</b>	<b>NORTH CENTRAL COLLEGE</b>	<b>NAPERVILLE, IL</b>
	<b>Visiting Lecturer, History Department</b>	
	Taught undergraduate courses in American twentieth century, urban, and economic history.	
<b>1977 to 1979</b>	<b>KIMBALL UNION ACADEMY</b>	<b>MERIDEN, NH</b>
	<b>History Teacher and Coach</b>	
	Taught history and coached three sports at college preparatory school for 250 students.	

## EDUCATION

<b>1985 to 1987</b>	<b>KELLOGG GRADUATE SCHOOL OF MANAGEMENT, NORTHWESTERN UNIVERSITY</b>	<b>EVANSTON, IL</b>
	Masters of Business Administration, June 1987. F.C. Austin Scholar (awarded to top five percent of incoming students). Concentrations in marketing, finance, and management policy. Summer Intern, First National Bank of Chicago, 1986.	
<b>1979 to 1985</b>	<b>UNIVERSITY OF WISCONSIN</b>	<b>MADISON, WI</b>
	Ph.D. in American History, August 1985. M.A., January 1981. Vilas Fellow, History Department Fellowship. Teaching Assistant and Research Assistant, 1980-1982. Concentration in early twentieth century history. Dissertation Title: " <i>A Progressive Partnership: Theodore Roosevelt and the Reform Press — Riis, Steffens, Baker, and White.</i> "	
<b>1973 to 1977</b>	<b>DARTMOUTH COLLEGE</b>	<b>HANOVER, NH</b>
	Bachelor of Arts in History, <i>cum laude</i> , with distinction in major, June 1977. Language Program, Bourges, France. Congressional Internship, Washington, D.C. Fraternity President, Fraternity Governing Board, Dragon Senior Honor Society, Swimming Team.	

## Attachment C

### OTHER INFORMATION

Current community involvement: Orlando Economic Partnership (executive committee), Canine Companions for Independence volunteer, Shepherd's Hope volunteer. Former board member of: StarterStudio (chair), Shepherd's Hope (chair), Lake Nona Institute (co-founder and president), Florida Research Consortium (chair), Bio-Orlando (co-chair), BioFlorida, Visit Orlando, One Blood (formerly Florida's Blood Centers), Florida Venture Forum, Rollins College Center for Entrepreneurship, Orlando Chapter of the Association for Corporate Growth (ACG). Past community involvement includes: Trinity Preparatory School trustee and Booster Club president, assistant Boy Scout scoutmaster, president and secretary of Dartmouth Club of Central Florida, Dominican Republic house construction project participant, parish council member, Masters swim team coach, Big Brother program participant, and volunteer firefighter. Interests include family activities, scuba diving, photography, active sports, and travel. Married to wife Katie Glockner Seymour for 38 years, with three grown children.

### REFERENCES

Available upon request.

**ITEM: CLC-2**

**UCF BOARD OF TRUSTEES  
Compensation and Labor Committee  
March 21, 2019**

**Title:** Termination of further payments to John Hitt pursuant to the Performance Unit Plan

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**Background:**

The investigations by the Bryan Cave Law firm and the House Committee on Public Integrity and Ethics both concluded that former President John Hitt played a key role in the decision to use state operating dollars for the construction of Trevor Colbourn Hall.

**Issues to be Considered:**

Whether it is appropriate to end any further payments to President Hitt in light of the findings of the reports.

**Alternatives to Decision:**

Allow President Hitt to receive his full payments as they become due or receive reduced payments.

**Fiscal Impact and Source of Funding:**

Termination of the payments to Dr. Hitt is estimated to save the UCF Foundation in excess of \$300,000.

**Recommended Action:**

Terminate the payments to President Hitt.

**Authority for Board of Trustees' Action:**

BOG Regulation 1.001(5)(a); Terms of the PUP Plan

**Committee Chair or Chairman of the Board approval:**

Committee Chair John Sprouls approved

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**Submitted by:**

Scott Cole, Vice President and General Counsel

**Supporting Documentation:**

Attachment A: PUP Plan Analysis

**Facilitators/Presenters:**

Maureen Binder, Associate Vice President and Chief Human Resources Officer

Scott Cole, Vice President and General Counsel

## Attachment A

## Estimated &amp; Projected PUP Payouts for President John Hitt

Cycle	% Attainment	Average Attainment Options			Payout Calculations:				
		5-Yr: 2010-17	5-Yr: 2011-18	6 Yr: 2010-18	2015-18	2016-19	2017-20	Total	
2010-13	53.59%	69.40%	68.29%	65.84%	2788	2940	3028	8756	Units Approved
2011-14	102.93%				2788	1970	999	5757	Prorated Units
2012-15	64.50%				\$278,800	\$196,980	\$99,924	\$575,704	Target Payout
2013-16	64.50%				\$133,935.52	\$136,712.00	\$69,351.25	\$339,998.77	Projected Payout A
2014-17	61.50%				\$133,935.52	\$134,525.52	\$68,242.10	\$336,703.14	Projected Payout B
2015-18 <sup>1</sup>	48.04%				\$133,935.52	\$129,698.20	\$65,793.29	\$329,427.01	Projected Payout C

<sup>1</sup> 2015-18 PUP Results have not been approved by the BOT - % Attainment submitted by Audit.

Alternate calculated attainment averages are provided with corresponding projected payouts.

**Assumptions:**

- PUP units for the 2016-19 and 2017-20 cycle were prorated to reflect Hitt's roll-off from plan based on his 6/30/18 retirement date.  
Hitt to receive 67% of approved units for 2016-19 and 33% of approved units for 2017-20
- Projected payout for the 2015-18 Cycle is based on 48.04% attainment provided by Audit and pending BOT approval.
- Projected attainment for 2016-19 and 2017-20 was calculated as an average of past cycles.

Since 2015-18 attainment is not yet BOT approved, three options are provided for projected attainment calculation:

A: 5-year average based on 2010-17 cycles attainment: 69.40%. Total projected payout: \$339,999

B: 5-year average based on 2011-18 cycles attainment: 68.29%. Total projected payout: \$336,703

C: 6-year average based on 2010-18 cycles attainment: 65.84%. Total projected payout: \$329,427

**Note:** Projected PUP payments are estimated based on historic performance data and are not guaranteed.