



November 17, 2022 UCF Board of Trustees Meeting

Board of Trustees

Lake Nona Wave Hotel

Nov 17, 2022 10:30 AM - 3:00 PM EST

Table of Contents

I. Five Things to Know.....	3
II. Agenda.....	4
III. Minutes of the October 20, 2022 meeting.....	7
IV. Remarks	
V. New Business	
A. BOT - 1 President's FY23 Goals.....	12
VI. Discussion	
A. DISC-1 Student Success and Well-Being Panel.....	16
VII. Committee Reports	
A. Academic Excellence and Student Success	
B. Audit and Compliance	
C. Budget and Finance	
D. Facilities and Infrastructure	
E. Governance	
1. GOV-1 FY22 Presidential Assessment & Compensation Review.....	18
F. Strategic Partnerships and Advancement	
VIII. Consent Agenda	
A. AES-1 Conferral of Degrees.....	23
B. AES - 2 Tenure with Hire.....	25
C. AES-3 Degree Program Termination – M.S. in Taxation	28
D. AES-4 Approval to Seek a New Accreditor	32
E. AES-5 Research Institutes and Centers Annual Reports.....	34
F. AUD - 1 Compliance and Ethics Program Plan	44
G. BUD-1 University Investment Program Structure Update.....	69
H. GOV - 2 Amended and Restated Bylaws of the UCF Foundation, Inc.	109

I. GOV - 3 Amended Bylaws and Articles of Incorporation for Central Florida Clinical Practice Organization, Inc.	123
J. GOV-4 Amendments to University Regulation UCF-2.040 Development, Approval, Termination, and Suspension of Degree Programs	142
K. GOV-5 Amendments to University Regulation UCF-4.010 Solicitation on Campus	146
L. GOV-6 Amendments to University Regulation UCF-7.203 Real Property Leasing and Repeal of University Regulations UCF-7.201 Real Property Transactions, UCF-7.208 Leases of 5,000 Square Feet or More, and UCF-7.209 Solicitation for Lease Space	151
IX. Announcements	
X. Adjournment	



5 THINGS TO KNOW

READ MORE ABOUT UCF AT [UCF.EDU/NEWS](https://ucf.edu/news)



1 Unleashing *Potencial*

As a Hispanic Serving Institution, UCF is committed to increasing timely graduation rates for Latino and low-income students, thus driving social mobility. Recognized for these efforts, the [U.S. Department of Education has awarded UCF two, five-year grants totaling \\$5.7 million](#) to fund projects that expand and enhance support for Hispanic/Latino students. Project *POTENCIAL* fosters overall student success at the undergraduate level. Project *ENFERMERIA* equips more Hispanic/Latino nursing students to provide culturally congruent care and meet the language needs of the Central Florida region. Through its *Progresando* Initiative, [Bank of America has also awarded UCF \\$250,000](#) to increase the number of Hispanic/Latino nursing graduates and increase representation in the field.



2 Creative Collaboration

Industry partnerships are essential to providing students with the hands-on experiences and connections they need to succeed in their careers. Themed-experiences students will benefit from two recent partnerships with industry giants. Universal Creative has selected UCF as a preferred partner for a [unique and immersive learning experience launching in Spring 2023](#). The UCF/Universal Creative Lab offers a blend of classroom and on-site learning from some of the most creative minds in the industry, scholarships, and opportunities for students in the themed-experiences program, and later other students, to connect with employers before graduation. [UCF also recently partnered with Meow Wolf](#), a leader in the creation of interactive art environments, for a writer's workshop series for themed-experiences students.



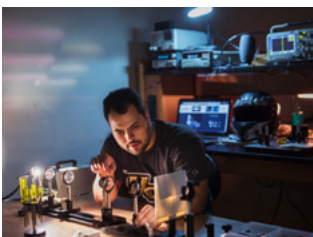
3 Aerospace Accomplishment

Mechanical engineering [student Lauren Bansberg '20 is one of U.S. four students selected for a Women in Aerospace \(WIA\) scholarship](#) — making her the first UCF student to be honored by the organization. The WIA recognized Bansberg for her promising leadership abilities and academic merits, which include contributing to a team that won second place in a NASA competition related to Artemis technology.



4 Building Worlds off Earth

Through the Artemis program, NASA aims to build a base camp on the moon — and thanks to UCF researchers they may be one step closer to making that goal a reality. Associate Professor of Mechanical and Aerospace Engineering Ranajay Ghosh and his research group found a [method to 3D print bricks of lunar regolith that can withstand the extreme environments of space](#) and is a good candidate for cosmic construction projects.



5 A Leader in Optics

[UCF has again been named one of the world's top 25 universities for optics](#), ranking among the top 9% of programs worldwide and alongside institutions like Caltech, Harvard, Stanford, UCLA, Columbia and MIT. UCF's College of Optics and Photonics' recognition less than two decades since it became a college is a testament to its innovative faculty's ability to positively influence the world through excellence in research, international collaboration and contributions to scientific literature

Board of Trustees Meeting
November 17, 2022
Lake Nona Wave Hotel
10:30 a.m. – 3:00 p.m.

Livestream: <https://youtu.be/5TQGxYmpl1I>

AGENDA

- | | |
|--|---|
| 1. Call to Order and Welcome | Alex Martins, <i>Chair, UCF Board of Trustees</i> |
| 2. Roll Call | Lauren Ferguson, <i>Assistant Vice President, Board Relations</i> |
| 3. Public Comment | Lauren Ferguson |
| 4. Minutes of the October 20, 2022 meeting | Chair Martins |
| 5. Remarks (60 minutes) | Chair Martins |
| | President's Update
Alexander N. Cartwright, <i>President</i> |
| 6. New Business (30 minutes) | Chair Martins |
| <div style="text-align: right; padding-right: 20px;">BOT – 1</div> | President's FY23 Goals
Chair Martins
Maureen Binder, <i>Associate Vice President and Chief Human Resources Officer</i> |
| 7. Break (60 minutes) | |
| 8. Discussion (45 minutes) | |
| <div style="text-align: right; padding-right: 20px;">DISC – 1</div> | Student Success and Well-Being Panel
Paul Dosal, <i>Senior Vice President for Student Success</i>
Kimberly R. Schneider, <i>Assistant Vice Provost, Career Planning and Academic Engagement</i> |
| 9. Committee Reports (45 minutes) | Chair Martins |
| <div style="padding-left: 40px;">Academic Excellence and Student Success</div> | Chair Seay |
| <div style="padding-left: 40px;">Audit and Compliance</div> | Chair Christy |
| <div style="padding-left: 40px;">Budget and Finance</div> | Chair Mills |
| <div style="padding-left: 40px;">Facilities and Infrastructure</div> | Chair McAlpin |

Governance		Chair Okaty
	GOV – 1	FY22 Presidential Assessment & Compensation Review
Strategic Partnerships and Advancement		Chair Conte
10. Consent Agenda		Chair Martins
	AES – 1	Conferral of Degrees (<i>Seay</i>)
	AES – 2	Tenure with Hire (<i>Seay</i>)
	AES – 3	Degree Program Termination – M.S. in Taxation (<i>Seay</i>)
	AES – 4	Approval to Seek a New Accreditor (<i>Seay</i>)
	AES – 5	Research Institutes and Centers Annual Reports (<i>Seay</i>)
	AUD – 1	Compliance and Ethics Program Plan (<i>Christy</i>)
	BUD – 1	University Investment Program Structure Update (<i>Mills</i>)
	GOV – 2	Amended and Restated Bylaws of the UCF Foundation, Inc. (<i>Okaty</i>)
	GOV – 3	Amended Bylaws and Articles of Incorporation for Central Florida Clinical Practice Organization, Inc. (<i>Okaty</i>)
	GOV – 4	Amendments to University Regulation UCF-2.040 Development, Approval, Termination, and Suspension of Degree Programs (<i>Okaty</i>)
	GOV – 5	Amendments to University Regulation UCF-4.010 Solicitation on Campus (<i>Okaty</i>)
	GOV – 6	Amendments to University Regulation UCF-7.203 Real Property Leasing and Repeal of University Regulations UCF-7.201 Real Property Transactions, UCF-7.208 Leases of 5,000 Square Feet or More, and UCF-7.209 Solicitation for Lease Space (<i>Okaty</i>)



Board of Trustees

Meeting Agenda

11. Announcements

December 16 – 17, 2022

UCF Commencement Ceremonies
(Addition Financial Arena)

January 24 – 25, 2023

Board of Governors Meeting
(Florida International University, Miami)

February 23, 2023

Board of Trustees Committee Day
(TBA)

February 24, 2023

Board of Trustees Meeting
(TBA)

12. Adjournment

Chair Martins

**Minutes
Board of Trustees Special Meeting
University of Central Florida
October 20, 2022**

Chair Alex Martins called the Board of Trustees meeting to order at 8:30 a.m.

He reminded the Board that the meeting was covered by the Florida Sunshine Law and that the public and press were invited to attend.

Lauren Ferguson, Assistant Vice President for Board Relations, called the roll and determined a quorum was present.

The following board members attended the meeting virtually: Chair Alex Martins and Trustees Tiffany Altizer, Bill Christy, Jeff Condello, Stephen King, Daniella Lopez, John Miklos, Harold Mills, and Michael Okaty. Trustee Caryl McAlpin attended the meeting in person.

Trustees Joseph Conte, Danny Gaekwad and Beverly Seay were not in attendance.

PUBLIC COMMENT

There were no requests for public comment.

REMARKS

Martins noted this special meeting was being held in response to the postponement of the September Board of Trustees meeting due to Hurricane Ian.

President Cartwright highlighted the university's response in providing resources and support to students and employees in need. These activities included outreach by Student Care Services, emergency relief support, dedicated academic coaching, and housing support.

Cartwright concluded his remarks by expressing gratitude to the donors, volunteer leaders, and employees who helped prepare for the storm and supported emergency relief efforts post Hurricane Ian.

MINUTES

A motion to approve the meeting minutes of the August 18, 2022 meeting was made by Altizer, and unanimously approved as submitted.

COMMITTEE REPORTS

Martins called on Youndy Cook, Vice President and General Counsel, to read any disclosures of conflict of interest from the trustees. There were no disclosures.

ACADEMIC EXCELLENCE AND STUDENT SUCCESS COMMITTEE REPORT

Trustee Altizer, Academic Excellence and Student Success Committee member, provided highlights from the committee meeting held on October 19, 2022.

Altizer reported that AES-1 through AES-5 were unanimously approved by the committee and placed on the Board's consent agenda.

AUDIT AND COMPLIANCE COMMITTEE REPORT

Christy, Chair of the Audit and Compliance Committee, reported highlights from the committee meeting held on August 30, 2022.

AUD – 1 University of Central Florida 2022 Florida Equity Report

Christy made a motion to approve AUD-1, with Altizer providing the second. The motion passed unanimously.

BUDGET AND FINANCE COMMITTEE REPORT

Mills, Chair of the Budget and Finance Committee, reported highlights from the committee meeting held on October 18, 2022.

BUD – 1 2022-23 Carryforward Spending Plan

Mills made a motion to approve BUD-1, with Altizer providing the second. The motion passed unanimously.

BUD – 2 Proposed 2022 – 2023 University Operating Budget

Mills made a motion to approve BUD-2, with Altizer providing the second. The motion passed unanimously.

BUD – 3 2022-23 Fixed Capital Outlay Budget

Jonathan Varnell, Vice President for Facilities and Business Operations, said that the 2022-23 Fixed Capital Outlay Budget was a discussion item at the October 18, 2022 Facilities and Infrastructure Committee meeting.

Gerald Hector, Senior Vice President for Administration and Finance, clarified the start and end dates listed in materials and Varnell noted the university has already been in communication with Board of Governors' staff regarding corrections to materials.

Mills asked Hector to affirm that the 'Colors of Money' were carefully checked when considering appropriations relative to these projects, which Hector confirmed.

Mills made a motion to approve BUD – 3, with Altizer providing the second. The motion passed unanimously.

FACILITIES AND INFRASTRUCTURE COMMITTEE REPORT

Trustee McAlpin, Chair of the Facilities and Infrastructure Committee, reported highlights from the committee meeting held on October 18, 2022.

McAlpin reported that FAC-1 and FAC-2 were unanimously approved by the committee and placed on the Board's consent agenda.

GOVERNANCE COMMITTEE REPORT

Martins reported highlights from the committee meeting held on October 19, 2022.

GOV – 1 Board of Trustees Resolution on Presidential Authority

Christy made a motion to approve GOV-1, with Mills providing the second. The motion passed unanimously.

Martins reported that GOV-2 through GOV-11 were unanimously approved by the committee and placed on the Board's consent agenda.

STRATEGIC PARTNERSHIPS AND ADVANCEMENT COMMITTEE REPORT

Martins reported that the committee had not met since the last Board meeting.

CONSENT AGENDA

Condello made a motion to approve the consent agenda with the removal of AES-2 (Tenure with Hire) for discussion, which Christy seconded. The revised consent agenda was unanimously approved.

AES – 2: Tenure with Hire

A discussion on tenure with hire occurred. Condello voiced concerns that tenure with hire prohibits the removal of low-performing tenured faculty. It was noted by Martins that the Board of Governors (BOG) is scheduled to consider a post-tenure review process in an upcoming meeting. Mills and Martins shared that the tenure process, as currently formed, is a matter of competing for the best educators and researchers in the country. Mills also noted the university has a rigorous process in place to determine and review tenure.

Additional discussion occurred regarding the State University System's representation during the BOG's tenure review discussion. King noted that a past UCF Faculty Senate Chair was on the BOG. King also shared that his input was requested in his capacity as the current UCF Faculty Senate Chair. Michael Johnson, Provost and Executive Vice President for Academic Affairs, said there is widespread agreement across the academy that post-tenure review is necessary and important.

Mills made a motion to approve AES-2, with King providing the second. The motion passed with opposition from Condello.

DISCUSSION

DISC – 1 Review and Deep Dive into Board of Governors’ Civil Discourse Recommendations

Martins reminded the Board that he asked Trustee McAlpin to provide strategic guidance to staff on the recommendations outlined in the Board of Governors Civil Discourse Final Report. He recognized McAlpin to moderate the presentation.

McAlpin provided an overview of processes undertaken by the university to address Civil Discourse and Free Speech. McAlpin said she believes the university is meeting the expectations of the State and the BOG and has been for several years.

The review and deep dive into Civil Discourse Promotion and Implementation at UCF was presented by Maureen Binder, Associate Vice President for Human Resources and Chief HR Officer; Youndy Cook, Vice President and General Counsel; Adrienne Frame, Interim Vice President for Student Development and Enrollment Services; Andrea Guzman, Vice President for Diversity, Equity and Inclusion; and Jana Jasinski, Vice Provost for Faculty Excellence.

NEW BUSINESS

BOT – 1 Review and Endorse Board of Governors Statement of Free Expression

Mills made a motion to approve BOT-1, with Altizer providing the second. The motion passed unanimously.

BOT – 2 Approve UCF October Update on Implementation of the Board of Governors’ Civil Discourse Recommendations

Martins recognized McAlpin to address the Board.

McAlpin said this action is tied to the earlier presentation, noting the BOG required an interim plan to be submitted in July and a Board-approved update to be submitted in October.

Cook outlined the university’s progress on recommendations and said the action item presented to the Board for consideration is to approve the BOG spreadsheet, included in meeting materials as Attachment A.

Christy made a motion to approve BOT-2, with Altizer providing the second. The motion passed unanimously.

ANNOUNCEMENTS

Martins made several announcements regarding upcoming meetings.



Board of Trustees

ADJOURNMENT

Martins adjourned the board meeting at 10:03 a.m.

Reviewed by: _____

Alex Martins, Chair, UCF Board of Trustees

Date: _____

Respectfully submitted: _____

Mike Kilbride, Associate Corporate Secretary

Date: _____



Regular Meeting | Board of Trustees
November 17, 2022

BOT-1: 2022-23 Goals for Presidential Assessment

☐ Information

☐ Discussion

☒ Action

Meeting Date for Upcoming Action: N/A

Purpose and Issues to be Considered:

Consider adopting the goals outlined in the University's 2022-27 Strategic Plan as the President's annual goals for 2022-2023 and adopt annual targets for key measures outlined in the approved plan.

Background Information:

In May 2022, the Board of Trustees approved UCF's 2022-27 Strategic Plan that included short- and long-term goals and metrics in the areas of Student Success and Well-being, Discovery and Exploration, Community and Culture, and Innovation and Sustainability.

Prior to the approval of UCF's 2022-27 Strategic Plan, as outlined in the President's employment agreement, the President submitted annual goals with specific objectives crafted in consultation with the Board Chair. In 2021, Board of Trustees requested that the President's annual goals align with the goals and outcomes outlined in the Strategic Plan once approved.

Recommended Action:

Approve the President's FY23 goals.

Alternatives to Decision:

Propose amendments to goals.

Fiscal Impact and Source of Funding:

N/A

Authority for Board of Trustees Action:

BOG Regulation 1.001

UCF Board Policy - Presidential Performance and Compensation Review

Contract Reviewed/Approved by General Counsel ☐ N/A ☒

Committee Chair or Chair of the Board has approved adding this item to the agenda ☒



Board of Trustees

Agenda Memo

Submitted by:

Alexander Cartwright, President, University of Central Florida

Supporting Documentation:

Attachment A: 2022-2023 University Goals for Presidential Assessment

Facilitators/Presenters:

Chair Martins

President Cartwright

University Goals for Presidential Assessment 2022-2023

1. Student Success and Well-Being

- a. Accelerate undergraduate progression and graduation; reduce interferences that cause hardship or delay.
- b. Enrich the student learning experience for the development of career and cultural competencies.
- c. Provide financially accessible educational experiences.

STRATEGIC PLAN METRICS	BASELINE	ANNUAL TARGET	PLAN GOAL 2026-27
FTIC Freshman Retention Rate	92.0%	93.0%	93%
FTIC 4-Year Graduation Rate	54.8%	56.0%	65%
FTIC 6-Year Graduation Rate	74.8%	75.0%	76%
FTIC Pell Recipient 6-Year Graduation Rate	70.8%	72.0%	76%
FCS AA 2-Year Graduation Rate	30.0%	37.0%	50%
Percentage of Graduating Students with HIP	89.1%	90.0%	100%
Percentage of Graduates Enrolled or Employed	63.0%	64.0%	70%
Percentage of Graduates without Federal Loan	58.0%	60.0%	60%

2. Discovery and Exploration

- a. Increase focus on research by supporting basic, applied, clinical, and translational research activities.
- b. Extend the impact, application, and commercialization of knowledge.
- c. Recruit and retain highly qualified faculty, post-doctoral appointees, and doctoral students to increase academic outcomes and support our research activity.

STRATEGIC PLAN METRICS	BASELINE	ANNUAL TARGET	PLAN GOAL 2026-27
Total Research Expenditures	\$219M	\$258M	\$350M
Patents Awarded Annually	52	53	55
Licenses and Options Executed Annually	32	36	36
Number of Start-up Companies Created	2	4	6
Faculty FTE	1,787	1,805	2,100
Post-doctoral Appointees	162	190	225

3. Community and Culture

- a. Become an employer of choice by recruiting, retaining, and developing the best talent and strengthening our culture of inclusion, collaboration, and engagement.
- b. Establish lifelong connections with our community through athletic and alumni engagement activities.
- c. Establish comprehensive partnerships that integrate education, research, the arts, service, workforce development, and philanthropic engagement.

STRATEGIC PLAN METRICS	BASELINE	ANNUAL TARGET	PLAN GOAL 2026-27
National Academy Memberships	8	9	10
Faculty and Staff Satisfaction	66%	70%	80%
Carnegie Classification for Engagement	Yes	Yes	Yes
Alumni Participation Rate	7.6%	8.0%	9.0%
Pegasus Partnerships	0	2	5

4. Innovation and Sustainability

- a. Diversify the university's revenue and resource base to reduce financial vulnerability and provide flexible funds for strategic investment.
- b. Institutionalize campus sustainability with a focus on service excellence.
- c. Enhance UCF's brand and national reputation.

STRATEGIC PLAN METRICS	BASELINE	ANNUAL TARGET	PLAN GOAL 2026-27
Endowment Value	\$215.1M	\$240M	\$350M
Annual Fundraising	\$76.01M	\$85M	\$100M
STARS Rating	Silver	Silver	Gold
U.S. News Peer Evaluation Score	2.9	3	3.3

Board of Trustees
November 17, 2022

DISC-1: Student Success and Well-Being Panel

☐ Information

☒ Discussion

☐ Action

Meeting Date for Upcoming Action: N/A

Purpose and Issues to be Considered:

This agenda item will provide the Board with the opportunity to hear about current UCF students' experiences related to student success and advising, career readiness and experiential learning, student life, and health and well-being.

Background Information:

The UCF Strategic Plan, "Unleashing Potential," identified Student Success and Well-Being as one of four priorities. To lead university efforts to attain these and other performance metrics, UCF hired a Senior Vice President for Student Success on July 1, 2022, and charged that officer (Dr. Paul Dosal) with "cultivating an integrated, comprehensive, and intentional student experience by creating an inclusive and student-centered environment that ensures all students who start at UCF can finish at UCF."

This panel discussion will focus on experiences that prepare students for success, High Impact Practices (HIP). The UCF strategic plan calls for all undergraduate students to experience at least one HIP by graduation. By helping students blend learning in the classroom with real-world experiences, such as undergraduate research, studying abroad, internships, and learning communities, HIPs help UCF students gain critical skills and prepare them for success in their post-graduate careers.

Panel Moderators:

- Dr. Paul Dosal, *Senior Vice President for Student Success*
- Dr. Kimberly Schneider, *Assistant Vice Provost for Career Planning & Academic Engagement*

Student Panelists:

- Loubensky Baine, Aerospace Engineering
- Natali Barakat, Chemistry (Minor: Mathematics)
- Marena Monte-Colon, Interdisciplinary Studies (Minors: Spanish, History, Latin American Studies)
- Joseph Weierheiser (Radio, Television, and Digital Communication)

All board members are encouraged to participate in asking questions of the panelists and moderators.

Recommended Action:

N/A

Alternatives to Decision:

N/A

Fiscal Impact and Source of Funding:

N/A

Authority for Board of Trustees Action:

N/A

Contract Reviewed/Approved by General Counsel ☐ **N/A** ☒

Committee Chair or Chair of the Board has approved adding this item to the agenda ☒

Submitted by:

Paul Dosal, Senior Vice President for Student Success

Supporting Documentation:

N/A

Facilitator/Presenter:

Paul Dosal

Dr. Kimberly Schneider, Assistant Vice Provost for Career Planning & Academic Engagement

Board of Trustees
November 17, 2022

GOV-1 FY22 Presidential Assessment and Compensation Review

☐ Information

☐ Discussion

☒ Action

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

Consider the Presidential Assessment and Compensation Review Executive Summary and outlined compensation recommendations (Attachment A).

Background Information:

Board of Governors Regulation 1.001 requires the Board to conduct an annual evaluation of the president. The Governance Committee is responsible for the annual evaluation of the president's performance in addition to reviewing the President's compensation and reviewing and approving the President's short- and long- term goals.

In June 2021, the Board approved a plan for evaluating the president's performance. The plan included an incentive plan to be utilized in determining the president's award of an annual incentive as provided by the president's employment agreement which provides for an annual incentive award of not more than 50 percent of the president's base salary (or up to \$300,000).

In November 2022, the Chief Human Resources Officer, Maureen Binder, conducted individual interviews with all trustees to discuss their assessment of the president based on the approved presidential assessment criteria. The assessment includes two parts: assessment of the president's leadership competencies and assessment of the president's progress and accomplishments related to his incentive plan goals.

Additionally, the Chair of the Board of Trustees requested input from the Chair of the Board of Governors (BOG), for input into the evaluation.

Based on all feedback received, the Chief Human Resources Officer compiled a Presidential Assessment and Compensation Review Executive Summary (Attachment A) in consultation with the Chair of the Board of Trustees. The report also includes compensation recommendations made by the Chair of the Board of Trustees.

Recommended Action:

Approve the Presidential Assessment and Compensation Review Executive Summary and outlined compensation recommendations in Attachment A.

Alternatives to Decision:

Decline to approve the Presidential Assessment and Compensation Review Executive Summary and compensation recommendations as presented.

Propose alternative compensation recommendations.

**Fiscal Impact and Source of Funding:**

If approved, non-state resources would be used to fund the incentive compensation payment.

Authority for Board of Trustees Action:

BOG Regulation 1.001

Board Policy - Presidential Performance and Compensation Review

Contract Reviewed/Approved by General Counsel ☐ N/A ☒

Committee Chair or Chair of the Board has approved adding this item to the agenda ☒

Submitted by:

Maureen Binder, Associate Vice President and Chief Human Resources Officer

Supporting Documentation:

Attachment A: Presidential Assessment and Compensation Review Executive Summary

Facilitators/Presenters:

Alex Martins, Chair, UCF Board of Trustees

Maureen Binder, Associate Vice President and Chief Human Resources Officer

**2021-2022
Presidential Assessment and Compensation Review
Executive Summary**

The Board of Trustees' Presidential Performance and Compensation Review Policy requires an annual assessment of the president's performance. The Board of Trustees Governance Committee is responsible for conducting this annual assessment. Each trustee was interviewed by Maureen Binder, Chief Human Resources Officer, using an assessment questionnaire that was distributed to each trustee in advance. The twelve leadership competencies assessed were: personal characteristics; strong academic leader/faculty focus; student focus; proven record of diversity and inclusion; partnerships and external relations; administrative leadership, judgement, and decision making; fund raising and diversification of resources; athletic knowledge, knowledge of metropolitan universities; relationship with governance; financial acumen; and overall performance. The assessment levels were defined as: Exceeds Expectations, Meets Expectations, and Does Not Meet Expectations. Additionally, the trustees rated the president on his seven Fiscal 2022 Goals that were approved by the Board of Trustees on June 17, 2021. The rating criteria were: Superior, Very Good, Satisfactory, Less than Satisfactory and Unsatisfactory.

The trustees' assessment of the president's leadership competencies and overall performance evaluation rating was "Exceeds Expectations." President Cartwright was rated highest in the categories of administrative leadership, judgement and decision making, athletic knowledge, student focus, personal characteristics, and relationship with governance. In addition, the president's performance was commended the Board of Governors' Chair, Brian Lamb. He unequivocally praised him for the work he is doing at UCF and stated that he was thoughtful, a great advocate for UCF, and a strong supporter of students and the entire SUS. He relayed that UCF is lucky to have him.

The trustees believe the president has had an excellent year as the senior leader at UCF. He has moved UCF forward and leveraged his newness strategically. They believe his goals are right in line with where UCF needs to be going. Several said that he instills trust, which is different than what UCF has had in the past. Further, he couldn't be a better ambassador for UCF and is an exceptional man, brilliant yet humble, and a good listener. . More than one trustee commented on Melinda Cartwright, the president's wife, saying she is a big part of his success, is a great partner for him, UCF, and an integral part of his team. He was praised for his focus on students. It was noted that because of his own background as a first-generation college student, from another country, he is an "every-person" example for the students. It was apparent to many trustees that the president is sincere in his commitment to students, their academic achievement, and success. The trustees also praised the president's knowledge of athletics, and the significance it plays in the life of a university.

Several trustees commented that they were impressed with how President Cartwright looks ahead and that he is still leading UCF out of difficult times. However, it was also noted in a few areas that he was still setting the foundation and had not had enough time to "move the needle on everything." These areas included the areas of diversity, equity, and inclusion; partnerships and external relations; and fundraising and diversification of resources.

Unanimously, trustees commented that UCF was lucky and blessed to have President Cartwright and went on to say that he is setting a foundation to move UCF to a national stage in academics and as a metropolitan research university.

In summary, responding to this annual assessment review of leadership competencies, the committee recommends that President Cartwright's annual assessment be rated as "Exceeds Expectations."

In addition, the overall assessment of President Cartwright's performance toward his seven Fiscal Year 2022 goals was rated as "Very Good." Multiple trustees praised the strategic planning process, noting the participation and engagement of many stakeholders and voices. Several commented that they look forward to seeing the progress on the plan and the metrics and are immensely proud of the plan. It was noted that the president has hired great leaders and is building an excellent team with only one key position left to fill. One trustee commented that it would be helpful if more student leaders could participate in the process of hiring future senior leaders. Several trustees commented on Knight Vision, Workday and SET, praising the president for pushing and supporting these initiatives that will improve UCF. Several noted that change is hard but that it needed to happen, he should continue to push it as well as innovation and risk-taking. A common comment from Trustees is that diversity and inclusion still has a way to go and that it is important that students see faculty who look like them to feel that they belong. Diversity and inclusion should be more intentional. Another common theme from Trustees was a desire for the president to focus more on philanthropy and building external relations and partnerships in the next year. Several mentioned that BOT members could support him in building relationships.

One trustee comment summed the overall assessment well, noting that they were incredibly pleased with the job he is doing. UCF is on the right track. Many goals have been met, many exceeded, some need more work, which is normal, but the future is bright. UCF has the right leader at the helm.

In addition to the assessment of the President's Leadership Competencies and performance toward his Fiscal Year Goals, an annual evaluation of the president's base and incentive compensation was conducted in accordance with the Board of Trustees' Presidential Performance and Compensation Review Policy. The current board chair considered an analysis of presidential compensation data for national, high-research universities comparable to UCF as well as total presidential compensation data for the Florida State University System (SUS) presidents. Based on this review and taking into consideration all of the comparables, it is recommended to adjust the president's base salary to \$725,000.

Considering President Cartwright's annual assessment leadership competency rating of "Exceeds Expectations" and his Fiscal Year Goal achievement rating of "Very Good," the board chair has recommended a performance incentive award of \$280,000 based on the incentive structure approved by the Board of Trustees. The recommendation for the incentive award is made with consideration to the maximum award amount provided by the president's employment agreement, which is capped at half of the president's base salary.

Prepared by: Maureen Binder, Associate Vice President and Chief Human Resources Officer, in consultation with Alex Martins, Chair, UCF Board of Trustees

Submitted by: Alex Martins, Chair, UCF Board of Trustees



Board of Trustees
November 17, 2022

AES-1: Conferral of Degrees

☐ Information ☐ Discussion ☒ Action

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

Consideration of the Fall 2022 Conferral of Degrees.

Background Information:

UCF expects to award the following degrees during the fall commencement ceremonies on December 16 & 17, 2022.

Baccalaureate Degrees:	5,096
Master's Degrees:	995
<u>Doctoral and Specialist:</u>	<u>137</u>
Total:	6,228

Recommended Action:

Approve the conferral of degrees during the Fall 2022 Commencement.

Alternatives to Decision:

Decline to approve the conferral of degrees during the Fall 2022 Commencement.

Fiscal Impact and Source of Funding:

N/A

Authority for Board of Trustees Action:

BOG 1.001(4)(a)
UCF BOT AESC Charter

Contract Reviewed/Approved by General Counsel ☐ N/A ☒

Committee Chair or Chair of the Board has approved adding this item to the agenda ☒

Submitted by:

Michael D. Johnson, Provost and Executive Vice President for Academic Affairs

Supporting Documentation:

Attachment A: Graduation Count – Fall

Facilitator/Presenter:

Michael D. Johnson

UCF Fall 2022 Commencement

College	Bachelor	Master	Doctorate	CollegeTotals
College of Arts and Humanities	322	29	2	353
College of Business Administration	775	65	1	841
College of Community Innovation and Education	580	349	23	952
College of Engineering and Computer Science	775	230	53	1,058
College of Graduate Studies	0	12	0	12
College of Health Professions and Sciences	481	104	0	585
College of Medicine	179	15	6	200
College of Nursing	168	31	18	217
College of Optics and Photonics	3	2	4	9
College of Sciences	1,233	117	29	1,379
College of Undergraduate Studies	322	0	0	322
Rosen College of Hospitality Management	258	41	1	300
Degree level totals:	5,096	995	137	6,228

Board of Trustees
November 17, 2022

AES-2: Tenure with Hire

☐ Information

☐ Discussion

☒ Action

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

The recommendation of a faculty member for tenure shall signify that the president and the Board of Trustees believe that the employee will continue to make significant and sustained professional contributions to the university and the academic community.

The primary purpose of tenure is to protect academic freedom. The award of tenure shall provide annual reappointment until voluntary resignation, retirement, removal for just cause, or layoff.

Hiring tenured faculty supports goal number two of the UCF Strategic Plan to “Recruit and retain highly qualified faculty, post-doctoral appointees, and doctoral students to increase academic outcomes and support our research activity.”

Background Information:

Hiring outstanding faculty who are excellent teachers and researchers is essential to fulfill our mission as a research university. It is the key to becoming a top institution, and to meeting UCF’s strategic plan goals for advancing academic excellence, student success, and societal impact. To achieve preeminence and become a top 50 public university, and eventually reach the top 25, UCF must increasingly build strengths in its research programs and in student success across the university. Hiring outstanding senior faculty members is essential for elevating the departments and units they join. Such faculty members have normally earned tenure at their previous institution; all meet UCF’s requirements for tenure. For others, tenure is part of the hiring package when senior faculty members are hired for administrative positions. The market for these faculty is highly competitive, and one of the fundamental requirements for UCF to be able to compete and attract top faculty is to have a tenure system.

Department faculty members and the university’s administrative officers have approved granting tenure to this faculty member.

Recommended Action:

Approve the proposed individual for tenure with hire.

Alternatives to Decision:

Decline to approve the proposed individual for tenure with hire.

Fiscal Impact and Source of Funding:

Faculty are considered employees of the university and like other employees, compensation is negotiated during the hiring process. Recommendations for tenure are considered independently from compensation. Faculty who are awarded tenure will have annual reappointment until voluntary resignation, retirement, removal for just cause, or layoff.

Authority for Board of Trustees Action:

UCF 3.015(4)(a)4 – Promotion and Tenure of Tenured and Tenure-earning Faculty

Contract Reviewed/Approved by General Counsel ☐ **N/A** ☒

Committee Chair or Chair of the Board has approved adding this item to the agenda ☒

Submitted by:

Michael D. Johnson, Provost and Executive Vice President for Academic Affairs

Supporting Documentation:

Attachment A: Tenure with Hire Justification

Facilitator/Presenter:

Michael D. Johnson

Jana L. Jasinski, Vice Provost for Faculty Excellence and Pegasus Professor of Sociology

**Tenure with Hire Justification
Board of Trustees Meeting
November 17, 2022**

Kibibi Mack-Shelton, Professor

College of Arts and Humanities, Department of History

CV: https://bot.ucf.edu/wp-content/uploads/sites/5/2022/10/Mack-Shelton-Kibbi_CV.pdf

Dr. Kibibi Mack-Shelton received her Ph.D. in history from Binghamton University, State University of New York. She came to UCF from the University of Massachusetts, where she was a tenured professor of history. While at the University of Massachusetts, Dr. Mack-Shelton served as chair of the Africana Studies Department and previously taught at the University of Richmond, where she held the Tyler and Alice Haynes Endowed Chair of American Studies. Dr. Mack-Shelton is a prominent scholar of southern African American women. Her publications include two published monographs and a third on the way, peer-reviewed articles and book chapters. She has presented at regional and national conferences. She has extensive teaching experience at the graduate and undergraduate levels, having taught courses in African American history, black women cross-cultural perspectives, and Jim Crow segregation. Dr. Mack-Shelton is a long-term professional member of the American Historical Association (AHA), among many other service activities in the profession, school, and university. The Department of History and College of Arts and Humanities support the recommendation for tenure with hire.



Board of Trustees
November 17, 2022

AES-3: Degree Program Termination – M.S. in Taxation

☐ Information ☐ Discussion ☒ Action

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

To approve the termination of the MS in Taxation.

Background Information:

The MS in Taxation was suspended in 2014. As outlined in the Board of Governors (BOG) Termination form, there are no students in the program, the faculty continue to teach in the other graduate accounting programs, and the department created a track for those students that desire greater emphasis in tax law. The request to terminate was submitted by the department and has been approved through the UCF curriculum management process and meeting the BOG and UCF regulation requirements.

Recommended Action:

Approve the termination of M.S. in Taxation.

Alternatives to Decision:

Decline to approve the termination of M.S. in Taxation.

Fiscal Impact and Source of Funding:

NA

Authority for Board of Trustees Action:

BOG Regulation 8.012, UCF Regulation, 2.040.

Contract Reviewed/Approved by General Counsel ☐ N/A ☒

Committee Chair or Chair of the Board has approved adding this item to the agenda ☒

Submitted by:

Michael D. Johnson, Provost and Executive Vice President for Academic Affairs

Supporting Documentation:

Attachment A: BOG Termination Form: UCF M.S. in Taxation

Facilitator/Presenter:

Timothy D. Letzring, Vice Provost for Academic Affairs



Board of Governors, State University System of Florida
ACADEMIC DEGREE PROGRAM TERMINATION FORM
 In Accordance with BOG Regulation 8.012

INSTITUTION: University of Central Florida

PROGRAM NAME: Taxation

DEGREE LEVEL(S): M **CIP CODE:** 52.1601

(B., M., Ph.D., Ed.D., etc.)

(Classification of Instructional Programs)

ANTICIPATED TERMINATION TERM: Spring 2023

(First term when no new students will be accepted into the program)

ANTICIPATED PHASE-OUT TERM: Spring 2023

(First term when no student data will be reported for this program)

Please use this form for academic program termination. The form should be approved by the University Board of Trustees (UBOT) prior to submission to the Board of Governors, State University System of Florida for consideration. Please fill out this form completely for each program to be terminated in order for your request to be processed as quickly as possible. Attach additional pages as necessary to provide a complete response. In the case of baccalaureate or master's degree programs, the UBOT may approve termination in accordance with BOG Regulation 8.012, and submit this form to the Board of Governors, Office of Academic and Student Affairs. For doctoral level programs, please submit this form with all appropriate signatures for Board of Governor's consideration. The issues outlined below should be examined by the UBOT when approving program terminations.

1. Provide a narrative rationale for the request to terminate the program.

This program has been suspended from taking new students since Fall 2014 and needed to be removed from the inventory. There are no students enrolled. This came to the current leadership's attention from a Board of Governors' Low Productivity Report.

- 2. Indicate on which campus(es) the program is being offered and the extent to which the proposed termination has had or will have an impact on enrollment, enrollment planning, and/or the reallocation of resources.**

Orlando campus and will have no impact on enrollment.

- 3. Explain how the university intends to accommodate any students or faculty who are currently active in the program scheduled to be terminated. State what steps have been taken to inform students and faculty of the intent to terminate the program.**

No students are affected. The faculty continue to teach in the other graduate accounting programs and the department created a track for those students that desire greater emphasis in tax law.

- 4. Please provide the date when the teach-out plan was submitted to SACSCOC. Include a copy of the notification letter with your submission.**

Since the program was suspended under BOG process pending analysis of its future, a teach out program was not submitted. There were 14 students enrolled at time of enrollment suspension in Fall 2014, six students in Fall 2015, and no students enrolled since 2016. Zero students completed the program since 2010.

- 5. Provide data (and cite sources) on the gender and racial distribution of students in and faculty affiliated with the program. For faculty, also list the rank and tenure status of all affected individuals.**

Not applicable as no students have been enrolled, and this degree termination does not result in the loss of any accounting faculty.

6. Identify any potential negative impact of the proposed action on the current representation of females, minorities, faculty, and students in the program.

None.

7. If this is a baccalaureate program, please explain how and when the Florida College System (FCS) institutions have been notified of its termination so that students can be notified accordingly.

This is a graduate program.

Emily Stettner

Requestor/Initiator

Date

Nancy F. Myers

Digitally signed by Nancy F. Myers

Date: 2022.10.28 15:02:23 -04'00'

10/28/2022

Signature of Campus EO Officer

Date

Paul Jarley

Digitally signed by Paul Jarley

Date: 2022.10.31 10:17:06 -04'00'

Signature of College Dean

Date

Michael D. Johnson

Digitally signed by Michael D. Johnson

Date: 2022.11.02 09:10:57 -04'00'

Signature of President or Vice President for Academic Affairs

Date

Signature of Chair of the Board of Trustees

Date

Date Approved by the Board of Trustees

Board of Trustees
November 17, 2022

AES-4: Approval to Seek a New Accreditor

☐ Information

☐ Discussion

☒ Action

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

Approve the recommendation to seek approval from the U.S. Department of Education (USDE) to apply for membership to the Higher Learning Commission.

Background Information:

Based on changes in federal rules, a new strategic plan, and recognition of looking for ways for continuous improvement in this area, UCF leadership began exploring options for a new accreditor. After extensive discussion with academic leadership, review of the accrediting agencies, and consultations with relevant peer institutions, the administration recommends pursuing recognition by the Higher Learning Commission (HLC). HLC emerged as the accreditation partner of choice for the following primary reasons:

- HLC is identified as an innovation leader among all U.S. accreditors, matching UCF's recognition as a leader in innovation.
- HLC's commitment to innovation is evident through its past and current strategic plans. Its most recent plan focuses on addressing emerging trends in higher education and meshes well with UCF's strategic plan *Unleashing Potential: Becoming the University of the Future*.
- Speed to market is a critical component to successful innovation. HLC's proactive planning practices, efficient management, and robust infrastructure are best suited to support UCF's need to thoughtfully and rapidly develop and deploy high quality innovations that serve our students, faculty, and the many communities UCF serves.
- Whereas accreditation is a peer review process, joining HLC helps to assure that the quality of UCF's academic enterprise will be judged and challenged by colleagues from strategic UCF-identified peer institutions that will help advance institutional goals.
 - A majority of the inaugural University Innovation Alliance member institutions are accredited by HLC. After recent expansion, half of the UIA members belong to HLC.
 - Half of the members of the BIG12 will belong to HLC once pending realignments are complete.
- During our consultations with peers, university leaders praised HLC for its collegial and collaborative engagement with member institutions, as well as its notable investment in building strong working relationships and ongoing two-way lines of communication with other key stakeholder groups that also provide oversight to member institutions (e.g., state governing boards, regional compacts, USDE).
- HLC leadership clearly indicated they have the capacity to expand membership and a willingness to increase resources if necessary, to support additional institutions that fit the goals and strategy of HLC.

In addition to the federal rule change and aligning this process with a new strategic plan, Senate Bill 7044 (SB 7044), passed by the Florida legislature and signed into law in Spring 2022, made significant changes to accreditation protocols in Florida effectively allowing this change at the state level. As highlighted in the Board of Governors (BOG) presentation at its August meeting, the first step for changing accreditors requires an action to obtain approval from the U.S. Department of Education. At its August 26, 2022, meeting, the BOG

accepted a staff report and its appendices (Attachment A and B), which identified and compared accreditors deemed most suitable for Florida SUS institutions. The BOG also moved to allow each of the State University System institutions to choose the accreditor to which they would apply for recognition (Attachment C). The U.S. Department of Education recently highlighted those procedures in guidance released in August and updated in September (Attachment D).

Recommended Action:

Approve university leadership's recommendation to seek permission from the U.S. Department of Education to apply for membership to the Higher Learning Commission and delegate authority to the President to complete necessary notifications at the appropriate time.

Alternatives to Decision:

Decline to approve of university leadership's recommendation to seek permission from the U.S. Department of Education to apply for membership to the Higher Learning Commission.

Fiscal Impact and Source of Funding:

N/A

Authority for Board of Trustees Action:

F.S. 1008.47; BOG Regulation 3.006

Contract Reviewed/Approved by General Counsel ☐ N/A ☒

Committee Chair or Chair of the Board has approved adding this item to the agenda ☒

Submitted by:

Michael D. Johnson, Provost and Executive Vice President of Academic Affairs

Supporting Documentation:

Attachment A: Board of Governors' Accreditation Report

Please click the link below to view the attachment.

<https://bot.ucf.edu/wp-content/uploads/sites/5/2022/11/FLBOG-Accreditation-Report.pdf>

Attachment B: Board of Governors' Accreditation Report Appendices

Please click the link below to view the attachment.

<https://bot.ucf.edu/wp-content/uploads/sites/5/2022/11/FLBOG-Accreditation-Report-Appendices.pdf>

Attachment C: August 26, 2022, Meeting Minutes, Board of Governors

Please click the link below to view the attachment.

<https://www.flbog.edu/wp-content/uploads/2022/11/Minutes-August-26-2022.pdf>

Attachment D: U.S. Department of Education Guidance GEN-22-11

Please click the link below to view the attachment.

<https://bot.ucf.edu/wp-content/uploads/sites/5/2022/11/US-Dept-Education-Guidance-GEN-22-11.pdf>

Facilitator/Presenter:

Timothy D. Letzring, Vice Provost for Academic Affairs



Board of Trustees
November 17, 2022

AES-5: Research Institutes and Centers Annual Reports

☐ Information ☐ Discussion ☒ Action

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

Approval of the required annual reports for UCF institutes and centers. Board of Trustees (BOT) approval is required prior to submission to the Board of Governors (BOG).

Background Information:

Per Florida BOG regulation 10.015, annual reports must be approved by the Board of Trustees prior to submission to the Board of Governors. This results from an amendment to the regulation requiring annual reports go before the Board of Trustees for approval prior to submission. Historically, institute and center annual reports have been completed for several years and submitted directly to the BOG.

Annual reports for approval are the completed annual reporting templates provided by the Chancellor. These were completed based on the individual annual reports submitted by the current 19 institutes and centers and 2 Centers of Excellence at UCF listed in the BOG registry. Some registry information in the template provided by the state was inaccurate and a note of corrections necessary was created to accompany the annual report.

Recommended Action:

Approve the annual reports for UCF institutes and centers.

Alternatives to Decision:

Decline to approve the annual reports for UCF institutes and centers.

Fiscal Impact and Source of Funding:

N/A

Authority for Board of Trustees Action:

Board of Governors Regulations 1.001 and 10.015

Contract Reviewed/Approved by General Counsel ☐ N/A ☒

Committee Chair or Chair of the Board has approved adding this item to the agenda ☒

Submitted by:

Michael D. Johnson, Provost and Executive Vice President for Academic Affairs

Supporting Documentation:

Attachment A: BOG Institutes and Centers Annual Reporting

Attachment B: Requested Corrections Needed to BOG Registry Template

Attachment C: FY2022 Research Institutes and Centers Annual Reports

Please click the links below to view the annual report for each institute or center.

- FY2022 Advanced Materials Processing and Analysis Center (AMPAC) – UCF Annual Report for Centers: <https://bot.ucf.edu/wp-content/uploads/sites/5/2022/10/FY2022-Advanced-Materials-Processing-and-Analysis-Center-AMPAC-UCF-Annual-Report-for-Centers.pdf>
- FY2022 Biomolecular Science Center (BSC) – UCF Annual Report for Centers: <https://bot.ucf.edu/wp-content/uploads/sites/5/2022/10/FY2022-Biomolecular-Science-Center-BSC-UCF-Annual-Report-for-Centers.pdf>
- FY2022 Center for the Study of Human Trafficking and Modern Slavery – UCF Annual Report for Centers: <https://bot.ucf.edu/wp-content/uploads/sites/5/2022/10/FY2022-Center-for-the-Study-of-Human-Trafficking-and-Modern-Slavery-UCF-Annual-Report-for-Centers.pdf>
- FY2022 CREOL - Florida Photonics Center of Excellence (FPCE) & Townes Laser Institute Center of Excellence (TLI) – UCF Annual Report for Centers: <https://bot.ucf.edu/wp-content/uploads/sites/5/2022/10/FY2022-CREOL-FPCE-TLI-UCF-Annual-Report-for-Centers.pdf>
- FY2022 Dick Pope Sr. Institute for Tourism Studies – UCF Annual Report for Centers: <https://bot.ucf.edu/wp-content/uploads/sites/5/2022/10/FY2022-Dick-Pope-Sr-Institute-for-Tourism-Studies-UCF-Annual-Report-for-Centers-.pdf>
- FY2022 Environmental Systems Engineering Institute (ESEI) – UCF Annual Report for Centers: <https://bot.ucf.edu/wp-content/uploads/sites/5/2022/10/FY2022-Environmental-Systems-Engineering-Institute-ESEI-UCF-Annual-Report-for-Centers.pdf>
- FY2022 Executive Development Center (EDC) – UCF Annual Report for Centers: <https://bot.ucf.edu/wp-content/uploads/sites/5/2022/10/FY2022-Executive-Development-Center-EDC-UCF-Annual-Report-for-Centers.pdf>
- FY2022 Florida Canada Linkage Institute (FCLI) – UCF Annual Report for Centers: <https://bot.ucf.edu/wp-content/uploads/sites/5/2022/10/FY2022-Florida-Canada-Linkage-Institute-FCLI-UCF-Annual-Report-for-Centers.pdf>
- FY2022 Florida Eastern Europe Linkage Institute (FEELI) – UCF Annual Report for Centers: <https://bot.ucf.edu/wp-content/uploads/sites/5/2022/10/FY2022-Florida-Eastern-Europe-Linkage-Institute-FEELI-UCF-Annual-Report-for-Centers.pdf>
- FY2022 Florida Solar Energy Center (FSEC) – UCF Annual Report for Centers: <https://bot.ucf.edu/wp-content/uploads/sites/5/2022/10/FY2022-Florida-Solar-Energy-Center-FSEC-UCF-Annual-Report-for-Centers.pdf>
- FY2022 Florida Space Institute (FSI) – UCF Annual Report for Centers: <https://bot.ucf.edu/wp-content/uploads/sites/5/2022/10/FY2022-Florida-Space-Institute-FSI-UCF-Annual-Report-for-Centers.pdf>
- FY2022 Institute for Simulation and Training (IST) – UCF Annual Report for Centers: <https://bot.ucf.edu/wp-content/uploads/sites/5/2022/10/FY2022-Institute-for-Simulation-and-Training-IST-UCF-Annual-Report-for-Centers.pdf>
- FY2022 Institute for Social and Behavioral Sciences (ISBS) – UCF Annual Report for Centers: <https://bot.ucf.edu/wp-content/uploads/sites/5/2022/10/FY2022-Institute-for-Social-and-Behavioral-Sciences-ISBS-UCF-Annual-Report-for-Centers-.pdf>
- FY2022 Institute of Exercise Physiology and Rehabilitation Sciences (IEPRS) – UCF Annual Report for Centers: <https://bot.ucf.edu/wp-content/uploads/sites/5/2022/10/FY2022-Institute-of-Exercise-Physiology-and-Rehabilitation-Sciences-IEPRS-UCF-Annual-Report-for-Centers.pdf>
- FY2022 National Center for Forensic Science (NCFS) – UCF Annual Report for Centers: <https://bot.ucf.edu/wp-content/uploads/sites/5/2022/10/FY2022-National-Center-for-Forensic-Science-NCFS-UCF-Annual-Report-for-Centers-.pdf>
- FY2022 National Center for Integrated Coastal Research – UCF Annual Report for Centers: <https://bot.ucf.edu/wp-content/uploads/sites/5/2022/10/FY2022-National-Center-for-Integrated-Coastal-Research-UCF-Annual-Report-for-Centers.pdf>

- FY2022 Small Business Development Center (SBDC) – UCF Annual Report for Centers: <https://bot.ucf.edu/wp-content/uploads/sites/5/2022/10/FY2022-Small-Business-Development-Center-SBDC-UCF-Annual-Report-for-Centers.pdf>
- FY2022 UCF Restores – UCF Annual Report for Centers: <https://bot.ucf.edu/wp-content/uploads/sites/5/2022/10/FY2022-UCF-Restores-UCF-Annual-Report-for-Centers-.pdf>

Attachment D: FY2022 Research Centers Requests to Suspend or Disband a Center or Institute

Please click the links below to view the requests to disband a center.

- FY2022 Disband UCF Center for Advanced Transportation Systems Simulation (CATTS): <https://bot.ucf.edu/wp-content/uploads/sites/5/2022/10/FY2022-Signed-Disband-UCF-Center-for-Advanced-Transportation-Systems-Simulation-CATTS.pdf>
- FY2022 Disband UCF John Scott Dailey Institute of Government: <https://bot.ucf.edu/wp-content/uploads/sites/5/2022/10/FY2022-Signed-Disband-UCF-John-Scott-Dailey-Institute-of-Government.pdf>

Facilitator/Presenter:

Winston V. Schoenfeld, Interim Vice President for Research

Annual Reporting Template Instructions
FY 2021-2022

Please complete the contact information on the right.

Tab "1-AnnualReporting": Please enter information for columns 5B to Column 14 for all I&Cs

Tab "2-COE Reporting": Please enter information for columns 6-9 for all Centers of Excellence

Tab "3-Additional I&C": If applicable, please enter information for any new I&Cs not captured in tab "1-AnnualReporting"

Tab

Please complete Column 5B - Column 14 for all I&Cs		
1-Annual Reporting	1. Institution Name	This column should be used to filter the data for the specific institution completing the template.
	2. Center Type	Identifies the center as a "Center of Excellence", "State of Florida" or "University" I&C. This designation is determined by the host institution at the inception of the center
	3. Center Code	Identifies the code assigned to the center or institute as assigned by the BOG. If there is a discrepancy here please indicate this in the comments section of the spreadsheet.
	4. Center Name	Identifies the C&I name
	5A. Center Status (BOG)	Identifies the C&I activity status as "Active", "Inactive", or "Terminated/Disbanded" as of July 2022 in Board records.
	5B. Center Status (Institution)	Identifies the C&I activity status as "Active", "Inactive", or "Terminated/Disbanded" based on what the institution has on file. This should be used to provide updates to the board office regarding the status of institutional I&Cs. Should there be a discrepancy, please submit the appropriate documents with the DRS response and indicate this in the comment section of the spreadsheet. Drop down is provided
	6.Total FY 2021-22 Expenditures	Total expenditures for all C&I's identified as active during the specified reporting term. Expenditure total should include contracts & grants, E&G state funds, trust funds, and fees for service.
	7. Expenditures: State & E&G	Total expenditures from E&G and/or state funds for all C&I's identified as active during the specified reporting term.
	8. Expenditures: Contracts & Grants	Total expenditures from contracts and grants for all C&I's identified as active during the specified reporting term.
	9. Expenditures: Fees for Service	Total expenditures from fees for services for all C&I's identified as active during the specified reporting term.
	10. Expenditures: Private and Trust Funds	Total expenditures from private and trust funds for all C&I's identified as active during the specified reporting term.
	11. Staff / Faculty FTE	Identify the total FTE for all faculty and staff directly associated with the operation of the C&I as of June 30, 2022.
	12. Year of Most Recent Evaluation	Indicate the year the most recent assessment/evaluation performed pursuant to BOG Regulation 10.015. This column should be completed for all C&I's identified as active or inactive in the template.
	13. Year of Prior Evaluation	Indicate the year an evaluation/assessment was performed pursuant to BOG Regulation 10.015, ahead of the evaluation identified in column 12. This column should be completed for all I&Cs identified as active or inactive in the template.
14. Rational for Missing Evaluations		For all missing evaluations please provide a rational
2-COE Reporting	Please complete all columns 6-9 for all Centers of Excellence	
	1. Institution Name	This column should be used to filter the data for the specific institution completing the template.
	2. Center Type	The column is pre-filtered to only include Centers of Excellence
	3. Center Code	Identifies the code assigned to the center or institute as assigned by the BOG. If there is a discrepancy here please indicate this in the comments section of the spreadsheet.
	4. Center Name	Identifies the Center of Excellence name
	5. Established Year	Provides the year the center of excellence was created
	6. Cumulative Total State Funds Received	Total state funds received since the center was created
	7. Cumulative Total Non-State Funds Received	Total non-state funds received since the center was created
	8. Fiscal Year State Funds Received	Total non-state funds received for the specified reporting term
	9. Fiscal Year Non-State Funds Received	Total state funds received for the specified reporting term
3-Additional I&C	Please complete all columns for any I&Cs not captured in the Annual Reporting (i.e., If a new I&C was opened and is not in the Board's inventory for Sheet 1-AnnualReporting, please update the information on this sheet)	
	1. Center Type	Identifies the center as a "Center of Excellence", "State of Florida" or "University" I&C. This designation is determined by the host institution at the inception of the center.
	2. Center ID Number	Identifies the code assigned to the center or institute as assigned by the BOG. If there is a discrepancy here please indicate this in the comments section of the spreadsheet.
	3. Center Name	Identifies the C&I name
	4. Center Status	Identifies the C&I activity status as "Active", "Inactive", or "Terminated/Disbanded" as of July 2022.
	5. Established Year	Year the center was established
	6. Total FY Expenditures	Total expenditures for all C&I's identified as active during the specified reporting term. Expenditure total should include contracts & grants, E&G state funds, trust funds, and fees for service.
	7. Expenditures from State and E&G Funds	Total expenditures from E&G and/or state funds for all C&I's identified as active during the specified reporting term.
	8. Expenditures from Contracts & Grants	Total expenditures from contracts and grants for all C&I's identified as active during the specified reporting term.
	9. Expenditures from Fees for Service	Total expenditures from fees for services for all C&I's identified as active during the specified reporting term.
	10. Expenditures from Private & Trust Funds	Total expenditures from private and trust funds for all C&I's identified as active during the specified reporting term.
	11. Cumulative Total State Funds Received	Total state funds received since the center was created-Centers of Excellence only
	12. Cumulative Total Non-State Funds Received	Total non-state funds received since the center was created-Centers of Excellence only
	13. Fiscal Year State Funds Received (FY2021-22)	Total non-state funds received for the specified reporting term-Centers of Excellence only
14. Fiscal Year Non-State Funds Received (FY2021-22)	Total state funds received for the specified reporting term-Centers of Excellence only	

Contact Information

Institution Name:	University of Central Florida
Preparer's Name:	Kelley Santalla
Preparer's Email:	kelley.santalla@ucf.edu

I&C Information						Expenditure Information (Fiscal Year 2021-2022)					Staff/Faculty (FY 2021-2022)	Evaluation Information		
1. Institution Name	2. Center Type	3. Center Code	4. Center Name	5A. Center Status (BOG)	5B. Center Status (Institution)	6.Total FY 2021-22 Expenditures	7. Expenditures: State & E&G	8. Expenditures: Contracts & Grants	9. Expenditures: Fees for Service	10. Expenditures: Private and Trust Funds	11. Staff / Faculty FTE	12. Year of Most Recent Evaluation	13. Year of Prior Evaluation	14. Rational for Missing Evaluations
University of Central Florida	University	70.0040	Executive Development Center	Active	Active	\$ 4,067,761.00	\$ -	\$ -	\$ 4,067,761.00	\$ -	20	12/31/2019	12/31/2012	N/A
University of Central Florida	University	70.0050	Center for Research and Education in Optics and Lasers (CREOL)	Active	Active	\$ 26,495,630.00	\$ 8,321,804.00	\$ 16,143,294.00	\$ -	\$ 2,030,532.00	43.4	12/31/2019	12/31/2013	N/A
University of Central Florida	University	70.0060	Dick Pope Sr. Institute for Tourism Studies	Active	Active	\$ 85,025.00	\$ 85,025.00	\$ -	\$ -	\$ -	1.14	12/31/2020	12/31/2012	Unknown why there was an extra one year gap in last 7-year evaluation cycle.
University of Central Florida	University	70.0070	Environmental Systems Engineering Institute	Active	Active	\$ 56,263.00	\$ -	\$ -	\$ 56,263.00	\$ -	0.21	12/31/2019	12/31/2012	N/A
University of Central Florida	University	70.0090	Institute for Simulation and Training	Active	Active	\$ 15,772,792.00	\$ 3,558,043.00	\$ 12,214,749.00	\$ -	\$ -	53	12/31/2022	12/31/2014	Originally was scheduled to be completed with Academic Program Review in 2022-2023 w/ M&S APRs. UCF Academic
University of Central Florida	University	70.0100	Institute for Social and Behavioral Sciences	Active	Active	\$ 137,962.00	\$ -	\$ 137,962.00	\$ -	\$ -	0.33	12/31/2018	12/31/2013	N/A
University of Central Florida	University	70.0240	Institute of Exercise Physiology and Rehabilitation Sciences	Active	Active	\$ 6,600.00	\$ 6,600.00	\$ -	\$ -	\$ -	0.15	12/31/2020	12/31/2012	Unknown why there was an extra one year gap in last 7-year evaluation cycle.
University of Central Florida	University	70.0310	Biomolecular Science Center	Active	Active	\$ 5,453,738.00	\$ 2,247,141.00	\$ 3,206,597.00	\$ -	\$ -	15.75	12/31/2016	12/31/2008	I am not 100% certain on the year of prior evaluation as 2008, as I have conflicting information in the records and could not
University of Central Florida	University	70.0320	Advanced Materials Processing and Analysis Center (AMPAC)	Active	Active	\$ 2,759,894.00	\$ 838,042.00	\$ 1,921,852.00	\$ -	\$ -	6.31	12/31/2020	12/31/2013	N/A
University of Central Florida	University	70.0330	Center for Multilingual Multicultural Studies (CMMS)	Unofficial	Terminated	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Center was unofficial in the BOG registry. The former Center for Multilingual Multicultural Studies (CMMS) was a unit of Academic Affairs under the former Office of Internationalization. In 2015, CMMS along with other units focused on internationalization were merged into what is today UCF Global. What used to be CMMS falls under the definition of centers "in name only" and is now a program, the Intensive English Program, operating fully under UCF Global. We have not used the term center since, and have no intention of restructuring as such. When we stopped using the CMMS name, we transitioned to the English Language Institute with the sole program within ELI called the Intensive English Program.
University of Central Florida	University	70.0350	Center for Advanced Transportation Systems Simulation (CATSS)	Inactive	Terminated	\$ -	\$ -	\$ -	\$ -	\$ -	0	12/31/2019	12/31/2014	Center has been inactive for two years and was terminated by UCF President effective 7-1-22
University of Central Florida	University	70.0360	University of Central Florida Center for Forensic Science National Center for Forensic Science	Active	Active	\$ 1,765,993.00	\$ 901,846.00	\$ 862,081.00	\$ 2,066.00	\$ -	6.72	12/31/2019	12/31/2013	See Name Change in Column D N/A
University of Central Florida	University	70.0370	UCF Restores	Active	Active	\$ 3,039,559.00	\$ 1,034,172.00	\$ 1,949,447.00	\$ 764.00	\$ 55,176.00	11.57	N/A	N/A	Center is less than seven years old and is scheduled for review in December 2024
University of Central Florida	University	70.0380	Center for the Study of Human Trafficking and Modern Slavery	Active	Active	\$ 13,000.00	\$ -	\$ -	\$ -	\$ 13,000.00	0.25	N/A	N/A	Center is less than seven years old and is scheduled for review in December 2024
University of Central Florida	University	70.0390	National Center for Integrated Coastal Research	Active	Active	\$ 1,448,579.00	\$ 1,041,095.00	\$ 407,484.00	\$ -	\$ -	5	N/A	N/A	Center is less than seven years old and is scheduled for review in December 2024
University of Central Florida	University	70.0070	Florida-Canada Linkage Institute	Active	Active	\$ 7,203.00	\$ 7,203.00	\$ -	\$ -	\$ -	0.25	12/31/2019	12/31/2012	With shifting responsibility for Institute and Center state reporting, FCL was incorrectly labelled a 7-Year Reporting Center prior to 2021. As of this year, we have correctly labelled FCL as a State center and reestablished it for 5-Year comprehensive evaluations

I&C Information						Expenditure Information (Fiscal Year 2021-2022)					Staff/Faculty (FY 2021-2022)	Evaluation Information		
1. Institution Name	2. Center Type	3. Center Code	4. Center Name	5A. Center Status (BOG)	5B. Center Status (Institution)	6.Total FY 2021-22 Expenditures	7. Expenditures: State & E&G	8. Expenditures: Contracts & Grants	9. Expenditures: Fees for Service	10. Expenditures: Private and Trust Funds	11. Staff / Faculty FTE	12. Year of Most Recent Evaluation	13. Year of Prior Evaluation	14. Rational for Missing Evaluations
University of Central Florida	University	70.8080	Florida-Eastern Europe Linkage Institute	Active	Active	\$ 7,203.00	\$ 7,203.00	\$ -	\$ -	\$ -	0.25	12/31/2019	12/31/2012	With shifting responsibility for Institute and Center state reporting, FEELI was incorrectly labelled a 7-Year Reporting Center prior to 2021. As of this year, we have correctly labelled FEELI as a State center and reestablished it for 5-Year comprehensive evaluations
University of Central Florida	University	70.9114	Small Business Development Center (Affiliate)	Active	Active	\$ 2,830,125.00	\$ 311,801.00	\$ 2,495,092.00	\$ 23,232.00	\$ -	9	12/31/2022	4/30/2019	The April 30, 2019 Review was a complete programmatic and financial review by the State Office at UWF. The last UCF Formal evaluation was FY2015. With shifting responsibility for Institute and Center state reporting, SBDC was incorrectly labelled a 7-Year Reporting Center prior to 2021. As of this year, we have correctly labelled SBDC as a State center and reestablished it for 5-Year comprehensive evaluations beginning in FY2022.
University of Central Florida	University	70.9120	Florida Solar Energy Center	Active	Active	\$ 8,471,889.00	\$ 3,386,363.00	\$ 3,791,168.00	\$ 1,213,357.00	\$ 81,001.00	38.4	12/31/2022	12/31/2015	With shifting responsibility for Institute and Center state reporting, FSEC was incorrectly labelled a 7-Year Reporting Center prior to 2021. As of this year, we have correctly labelled FSEC as a State center and reestablished it for 5-Year comprehensive evaluations beginning in FY2022.
University of Central Florida	University	70.9200	Florida Space Institute (FSI)	Active	Active	\$ 35,218,319.00	\$ 1,728,861.00	\$ 33,489,458.00	\$ -	\$ -	13.27	12/31/2021	12/31/2014	With shifting responsibility for Institute and Center state reporting, FSI was incorrectly labelled a 7-Year Reporting Center prior to 2021. As of FY2021, we have correctly labelled FSI as a State center and reestablished it for 5-Year comprehensive evaluations.
University of Central Florida	CoExcellence	99.9999	Florida Photonics Center of Excellence (FPCE)	Active	Active	N/A	N/A	N/A	N/A	N/A	N/A	12/19/2014	12/31/2006	The center, per the current director, went through an evaluation with the in-person OPPAGA review in the summer of 2006. There were several yearly accountability reports submitted to the BOG in the files ending in 2014. Beginning FY21-22, this COE will begin reporting as a sub-center of CREOL, as it is housed in the CREOL Center/college.
University of Central Florida	CoExcellence	99.9999	Laser Technology Initiative--Townes Laser Institute (TLI)	Active	Active	N/A	N/A	N/A	N/A	N/A	N/A	12/19/2014	N/A	See Name Change Column D There were several yearly accountability reports submitted to the BOG in the files ending in 2014. Beginning FY21-22, this COE will begin reporting as a sub-center of CREOL, as it is housed in the CREOL Center/college.

INSTITUTE & CENTERS (I & C) ANNUAL REPORTING DATA REQUEST TEMPLATE <i>Please Provide the Information Requested for each Center of Excellence</i>								
1. Institution Name	2. Center Type	3. Center Code	4. Center Name	5. Established Year	6. Cumulative Total State Funds Received	7. Cumulative Total Non-State Funds Received	8. Fiscal Year State Funds Received	9. Fiscal Year Non-State Funds Received
University of Central Florida	CoExcellence	99.9999	Florida Photonics Center of Excellence (FPCE)	2003	\$ 10,000,000.00	\$ 103,700,718.00	\$ -	\$ 6,582,013.00
University of Central Florida	CoExcellence	99.9999	Laser Technology Initiative	2007	\$ 4,500,000.00	\$ 76,407,728.00	\$ -	\$ 5,503,153.00

[illegible]

No Data to Submit at this Time

Note Listing Corrections Needed to BOG Annual Reports

The following BOG registered center names are listed incorrectly:

70.0350 ~~University of Central Florida Center for Forensic Science~~ National Center for Forensic Science
 99.9999 COE ~~Laser Technology Initiative~~ Townes Laser Institute (TLI)

Disbanded this year:

70.0350 Center for Advanced Transportation Systems simulation (CATSS)
 Documentation Attached

20.9070 John Scott Dailey Institute of Government - Affiliate Center at UCF (was NOT Registered
 with the BOG through UCF but through main center at FSU)

 Documentation Attached

Remove From Listing:

70.0330 Center for Multilingual Multicultural Studies (CMMS)

This center was listed as UNOFFICIAL on the BOG Registry. The former Center for Multilingual Multicultural Studies (CMMS) was a unit of Academic Affairs under the former Office of Internationalization. In 2015, CMMS along with other units focused on internationalization were merged into what is today UCF Global. What used to be CMMS falls under the definition of centers “in name only” and is now a program, the Intensive English Program, operating fully under UCF Global. We have not used the term center since and have no intention of restructuring as such. When we stopped using the CMMS name, we transitioned to the English Language Institute with the sole program within ELI called the Intensive English Program.

Change Center Type:

70.9200	Florida Space Institute (FSI)	University	State of Florida
70.9114	Small Business Development Center (SBDC)	University	State of Florida (Affiliate)
70.9120	Florida Solar Energy Center (FSEC)	University	State of Florida
70.8080	Florida Eastern Europe Linkage Institute (FEELI)	University	State of Florida
70.8070	Florida Canada Linkage Institute (FCLI)	University	State of Florida

Consolidation:

The Florida Photonics Center of Excellence (FPCE) and Townes Laser Institute (TLI) are seated within CREOL and now report together for annual reports and 7-year evaluations.



Board of Trustees
November 17, 2022

AUD- 1: Compliance and Ethics Program Plan

☐ Information

☐ Discussion

☒ Action

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

The Compliance and Ethics Program Plan has been revised and is now brought forward for this Committee's review and approval and subsequent review and approval by the Board of Trustees, to be submitted to the Board of Governors in compliance with BOG Regulation 4.003. The Committee should carefully consider the intent and impact of the proposed changes to the Program Plan.

Background Information:

The Program Plan outlines and documents UCF's Compliance and Ethics Program and communicates roles and responsibilities. As required by Board of Governors Regulation 4.003 State University System Compliance and Ethics Programs, the Program Plan was approved by this Committee on November 19, 2020, approved by the Board of Trustees on December 3, 2020, and provided to the BOG. The Program Plan is intended to be a living document capable of keeping pace with the implementation of an effective compliance and ethics program, the university's mission, goals, and strategic initiatives, and the continually evolving regulatory landscape. It is the responsibility of the vice president for compliance, ethics, and risk, chief compliance and ethics officer, to enact modifications to this document and assure UCF's continued commitment to the highest ethical standards and the adherence to applicable federal, state, and local laws and regulations and university policies and procedures.

Recommended Action:

Approve the revised Compliance and Ethics Program Plan.

Alternatives to Decision:

Decline to approve the Compliance and Ethics Program Plan.

Fiscal Impact and Source of Funding:

N/A

Authority for Board of Trustees Action:

Board of Governors Regulation 4.003 State University System Compliance and Ethics Programs.

Contract Reviewed/Approved by General Counsel ☐ N/A ☒

Committee Chair or Chair of the Board has approved adding this item to the agenda ☒

Submitted by:

Rhonda L. Bishop, Vice President University Compliance, Ethics, and Risk

Supporting Documentation:



Board of Trustees

Agenda Memo

Attachment A: Compliance and Ethics Program Plan

Facilitators/Presenters:

Rhonda L. Bishop, Vice President University Compliance, Ethics, and Risk



UNIVERSITY OF CENTRAL FLORIDA

Compliance and Ethics Program Plan

Introduction

UCF is committed to conducting research, instruction, business, and all other activities with the highest ethical standards and in compliance with applicable federal, state, and local laws and regulations. This Compliance and Ethics Program Plan (Plan) outlines and documents UCF's Compliance and Ethics Program (Program) and communicates roles and responsibilities in the Program. UCF's Program is reasonably designed to optimize its effectiveness in preventing or detecting noncompliance, unethical behavior, and criminal conduct. -The Program is developed consistent with the Code of Ethics for Public Officers and Employees contained in [Part III, Chapter 112, Florida Statutes](#); other applicable codes of ethics; the [Federal Sentencing Guidelines Manual, Chapter 8, Part B, Section 2.1](#); and as required by the [Florida Board of Governors Regulation 4.003](#).

Revisions

The Plan is intended to be a living document capable of keeping pace with the implementation of an effective compliance and ethics program, the university's mission, goals, and strategic initiatives, and the continually evolving regulatory landscape. As required by Board of Governors Regulation 4.003, the Plan and any subsequent changes will be approved by the UCF Board of Trustees and a copy of the approved plan shall be provided to the Board of Governors. It is the responsibility of the vice president for compliance, ethics, and risk, who serves as the chief compliance and ethics officer, to enact modifications to this document and assure UCF's continued commitment to the highest ethical standards and the adherence to applicable federal, state, and local laws and regulations and university policies and procedures.

Table of Contents

[Elements of an Effective Program](#)

[Benefits of a Comprehensive Compliance Program](#)

[Element I – Oversight of Compliance and Ethics and Related Activities](#)

[Element II – Standards of Conduct, Policies and Procedures](#)

[Element III – Effective Training and Education](#)

[Element IV – Effective Lines of Communication](#)

[Element V – Routine Monitoring, Auditing, and Identification of Risks](#)

[Element VI – Respond Promptly to Detected Problems and Undertake Corrective Action](#)

[Element VII – Enforce and Promote Standards through Appropriate Incentives and Disciplinary Guidelines](#)

[Element VIII – Measure Compliance Program Effectiveness](#)

Elements of an Effective Compliance Program

The elements of an effective compliance program are based on Chapter 8 of the Federal Sentencing Guidelines and serve as the foundation for Board of Governors Regulation 4.003. These requirements set forth an effective compliance and ethics program for organizations and require not only promoting compliance with laws, but also advancing a culture of ethical conduct. Federal agencies use these guidelines to determine the effectiveness of a compliance and ethics program, and to determine whether the existence of the program will provide safe harbor in the event of noncompliance.

These elements serve as the basis for UCF's Program and provide the objectives of the Program's work plan submitted annually to our Board of Trustees Audit and Compliance Committee. The Program is focused on projects and activities that will mitigate risks to the resources and reputation of UCF, as well as to the careers and professional reputations of its employees. The Plan is divided into eight elements and includes an overview of the projects and activities that have been developed to meet those requirements.

Benefits of a Comprehensive Compliance Program

In response to the Federal Sentencing Guidelines and calls for increased accountability in public service, UCF took a proactive approach in 2011 to hire a chief compliance and ethics officer who was charged with developing an effective compliance and ethics program. In 2016, the Board of Governors approved Regulation 4.003 that requires all state university system schools to hire a chief compliance and ethics officer and implement a program by November 2018. The benefits of UCF's Program are that it:

- demonstrates appropriate stewardship over the resources entrusted to UCF;
- commits the university to a culture of ethics and compliance, and to conducting all activities and business with the utmost integrity;
- assures the UCF Board of Trustees, [university](#) president, and senior leadership that programs are in place to conduct university activities in accordance with federal, state, and local laws and regulations, as well as institutional policies and procedures;
- provides a mechanism to monitor performance and strengthen business practices; [and](#)
- mitigates fines or penalties that may be imposed on the university in the event of noncompliance.

Element I - Oversight of Compliance and Ethics and Related Activities

The Federal Sentencing Guidelines require that an organization's governing authority be knowledgeable about the content and operation of the compliance and ethics program and that they exercise reasonable oversight with respect to the implementation and effectiveness of the compliance and ethics program. Board of Governors Regulation 4.003 requires that each Board of Trustees assign responsibility for providing governance oversight of the Program to the committee of the board responsible for audit and compliance.

UCF Audit and Compliance Committee

The Audit and Compliance Committee is appointed by the UCF Board of Trustees and assists the board in discharging its oversight responsibilities. The committee oversees the following for UCF and its direct support organizations:

- internal control structure;
- independence and performance of internal and external audits and corrective actions plans;
- integrity of information technology infrastructure and data governance;
- independence and effectiveness of the compliance and ethics program;
- compliance with applicable laws and regulations;
- standards for ethical conduct;
- risk identification and mitigation; and
- internal investigation processes.

The full charge and responsibilities of the committee is communicated in the committee's [charter](#). The committee's charter is reviewed annually, updated as appropriate, and discussed with and approved by our Board of Trustees.

UCF President

The university president serves as the chief executive officer of the university and is responsible for the operation of the university. The [university](#) president must be knowledgeable about the Program and shall exercise oversight with respect to its implementation and effectiveness. In coordination with the Board of Trustees, the [university](#) president designates the vice president for compliance, [ethics](#), and risk as the university's chief compliance and ethics officer, and is responsible for ensuring that the vice president for compliance, [ethics](#), and risk has the independence and objectivity to perform the responsibilities of the position, ~~and~~ has the adequate resources and appropriate authority, and ~~removes that~~ any imposed restriction or barrier that may impede the function of the vice president for compliance, [ethics](#), and risk ~~is removed~~.

Vice Presidents and Senior Leadership

Vice presidents and members of the senior leadership team are responsible for fostering a culture of ethical conduct and compliance at UCF and for performing their roles in compliance with all applicable federal and state laws and regulations, as well as the policies and procedures of the university. -In addition, all vice presidents and senior leadership team members are responsible for ensuring that any compliance programs under their area of supervision have adequate resources and are appropriately positioned to be effective, that the function of the program is not impeded, and that any imposed barriers to an effective Program are removed.

Vice President for Compliance, [Ethics](#), and Risk, Chief Compliance and Ethics Officer

The vice president for compliance, [ethics](#), and risk, who serves as the chief compliance and ethics officer ~~and chief risk officer~~, is assigned the overall responsibility for the compliance and

ethics program and is delegated day-to-day operational responsibility. The vice president for compliance, ethics, and risk, chief compliance and ethics officer reports functionally to the Audit and Compliance Committee of the Board of Trustees and administratively to the university president. The vice president for compliance, ethics, and risk, chief compliance and ethics officer and staff members have organizational independence and objectivity to perform their responsibilities and all activities of the office free from influence.

The vice president for compliance, ethics, and risk, chief compliance and ethics officer ~~oversees the University Compliance, Ethics, and Risk office and~~ is responsible for developing the Program as required by this Plan. The full responsibilities of the vice president for compliance, ethics, and risk, chief compliance and ethics officer and ~~the office of University Compliance and Ethics~~ are detailed in the University Compliance, Ethics, and Risk Charter. The charter is reviewed at least every three years for consistency with applicable Board of Governors and university regulations, professional standards, and best practices. The charter is approved by the Board of Trustees and a copy of the approved charter and any subsequent changes are provided to the Board of Governors.

To ensure the Program is effectively developed, the vice president for compliance, ethics, and risk, chief compliance and ethics officer is responsible for the following:

- maintaining a professional staff with sufficient size, knowledge, skills, experience, and professional certifications;
- utilizing third-party resources as appropriate to supplement the department's efforts;
- performing assessments of the program and making appropriate changes and improvements;
- routinely communicating to the Board of Trustees Audit and Compliance Committee and the university president on the effectiveness of the compliance and ethics program; and
- developing and updating this plan.

University Compliance and, Ethics, ~~and Risk~~

University Compliance and, Ethics, ~~and Risk~~, under the direction of ~~led by~~ the vice president for compliance, ethics, and risk, chief compliance and ethics officer, is charged with implementing and sustaining the Program and the ongoing development of effective policies and procedures, education and training, monitoring, communication, risk assessments, and responding to reported issues. The office partners with responsible university personnel to monitor compliance and ensure appropriate corrective actions when necessary.

Purpose Statement: To provide oversight and guidance to university-wide ethics and, compliance, ~~and enterprise risk management~~ activities, and foster a culture that embeds these disciplines in all university functions and activities.

Compliance and Ethics Advisory Committee

The Compliance and Ethics Advisory Committee is comprised of subject matter experts who are responsible for compliance in their respective areas, as well as representatives from the Faculty Senate and Staff Council, Office of the Provost, Office of the General Counsel, and University Audit. The compliance committee advises the vice president for compliance, ethics, and risk, chief compliance and ethics officer on the implementation of the comprehensive compliance and ethics program and the mitigation of compliance and ethical risks at UCF. In addition, the purpose of the committee is to ensure effective and consistent communication and that the elements of the Plan are implemented at all levels of the institution. The committee members are charged with promoting a culture of ethics, accountability, and compliance at UCF.

Compliance Partners

The key to the Program's success is fostering a culture of ethics, compliance, and accountability that weaves compliance into everyday business processes at UCF. To achieve this goal, the Accountability Matrix identifies the compliance and ethics requirements, the individuals responsible for those areas, and the vice president accountable for compliance and ethical conduct, as well as for ensuring that those areas are appropriately staffed and supported.

These individuals, referred to as *compliance partners*, play an important role in ensuring that the Program is effectively implemented and that risks are mitigated. Each compliance partner has a dotted line of responsibility to the vice president for compliance, ethics, and risk, chief compliance and ethics officer. They are required to report any incidents of noncompliance or unethical conduct, external requests related to compliance and ethics activities, or any imposed restriction or barrier to the effectiveness of their function or the Program to the vice president for compliance, ethics, and risk, chief compliance and ethics officer~~University Compliance, Ethics, and Risk~~. The compliance partners annually report the effectiveness of compliance and ethics initiatives within their area of responsibility to University Compliance and ~~Ethics, and Risk~~.

Faculty, Staff, and Students

The responsibility for compliance with laws, regulations, policies, procedures, and standards of conduct rests with every member of the UCF community. Through this commitment, each of us is preserving the distinguished reputation of the university, as well as the careers, professional reputations, and future of all of the faculty, staff, and students. This expectation is communicated to employees through the UCF Employee Code of Conduct and to students through *The Golden Rule*.

Exercise Due Diligence to Avoid Delegation of Authority to Unethical Individuals

UCF uses reasonable efforts not to include within the university and affiliated organizations individuals whom UCF knew, or should have known through the exercise of due diligence, to have engaged in conduct inconsistent with an effective compliance and ethics program. As part of these efforts, the vice president for compliance, ethics, and risk, chief compliance and ethics officer~~University Compliance, Ethics, and Risk~~ provides guidance on appropriate disciplinary actions related to noncompliance or unethical conduct and recommends the removal of

individuals from Program related roles as appropriate.

In addition, background checks serve as an important part of the selection process at UCF. This type of information is collected as a means of promoting a safe environment for students, employees, and the public. UCF requires a background check per [UCF Policy 3-011 Background Checks](#) on all prospective employees as a condition of employment and follows Equal Employment Opportunity Commission guidelines when evaluating information obtained through the background check process. UCF employs a third-party agency to perform background checks on all final candidates prior to an offer of employment. The type of background check performed is dependent upon job duties assigned to the position and can be one or more of the following:

- UCF Standard Background Check: Consists of [a](#) criminal history background check inclusive of a search of the following:
 - National Sex Offenders Registry
 - Statewide criminal history background check through the Florida Department of Law Enforcement (FDLE)
 - Local criminal records check through local law enforcement agencies
 - Federal criminal database
 - National criminal history records
 - Social security records available through credit bureaus
 - Driver's license records
- The Level 1 background check: Consists of [a](#) criminal history background check inclusive of a search of the following:
 - National Sex Offenders Registry
 - Statewide criminal history background check through the FDLE
 - Local criminal records check through local law enforcement agencies-
- Level 2 background check: This type of background check is performed on prospective and current employees where required by law or university policy. Checks conducted in accordance with the State of Florida level 2 standards, including fingerprinting for statewide criminal history records checks through the FDLE and national criminal history records checks through the Federal Bureau of Investigation, and may include local criminal records checks through local law enforcement agencies.

Element II - Standards of Conduct, Policies and Procedures

As part of an effective Program, UCF develops expectations for ethical conduct and compliance through several avenues. Codes of conduct, regulations, and policies and procedures set expectations for ethical conduct and compliance. Additionally, [the vice president for compliance, ethics, and risk, chief compliance and ethics officer and](#) University Compliance ~~and~~, Ethics, ~~and~~ Risk serves as a resource for regulation and policy development and assists UCF faculty and staff in identifying and understanding policies applicable to their roles. The following standards, policies, and procedures are core to UCF's effective Program:

UCF Employee Code of Conduct

The purpose of the [UCF Employee Code of Conduct](#) is to provide one guiding document that serves to communicate expectations and requirements and provides a resource for employees when faced with questions or ethical dilemmas. Embedded in the [eCode](#) are UCF's ethical standards of honesty and integrity, respect, responsibility and accountability, and stewardship, as well as the five tenets of the UCF Creed. Together they communicate the ethical principles and values of the university. The UCF Employee Code of Conduct is part of UCF's comprehensive compliance and ethics program, supported by the UCF Board of Trustees, the [university](#) president, and senior leadership. All employees are required to follow the UCF Employee Code of Conduct.

UCF Policy 2-001 – University Policy Development

[UCF Policy 2-001](#) establishes how university policy is developed, reviewed, approved, and maintained. The vice president for compliance, [ethics](#), and risk, [chief compliance and ethics officer](#) administers the policy and provides guidance on the effective development of policies and procedures. The vice president for compliance, [ethics](#), and risk, [chief compliance and ethics officer](#) also chairs the University Policies and Procedures Committee that is charged with reviewing policies and procedures and providing a recommendation of approval prior to review and approval by the university president. All policies are maintained online in the UCF Policies and Procedures Manual and must be reviewed annually by the responsible authority and every five years by the [eCommittee](#). New and revised policies are communicated to all employees of the university through broadcast email distribution.

UCF Policy 2-004 – ~~Nondiscrimination Policy~~ **Prohibition of Discrimination, Harassment and Related Interpersonal Violence**

[UCF Policy 2-004](#) is administered by the vice president for compliance, [ethics](#), and risk, [chief compliance and ethics officer](#) and outlines the following specifically defined forms of prohibited conduct: [unlawful](#) discrimination, ~~unlawful~~ [discriminatory harassment](#), ~~sexual or gender-based harassment~~, sexual assault, sexual exploitation, relationship violence, stalking, [sexual, gender-based, or Title IX sexual harassment, aiding and abetting in the commission of any prohibited act](#) ~~complicity~~, and retaliation. Therein, UCF prohibits ~~all students, employees, registered student organizations, direct support organizations' non-student employees), and third parties affiliated with the university from engaging in~~ ["unlawful discrimination and harassment on the basis of an individual's Protected Classes in any of its education or employment programs and activities](#), as well as ~~discriminatory harassment, sexual assault, sexual exploitation, relationship violence, stalking, sexual or gender-based harassment, complicity in the commission of any act prohibited by this Ppolicy,~~ retaliation against a person for reporting, in good faith, any of these forms of conduct or participating in or being a party to any investigation or proceeding under this [Ppolicy](#)." This policy also sets forth UCF's commitment to [maintaining a safe and non-discriminatory learning, living, and working environment where people are free to learn and work without fear of unlawful discrimination, harassment, or interpersonal violence. cultivating a climate where all individuals are well-informed and supported in reporting Pprohibited Cconduct](#)

~~and providing a fair and impartial process for all parties in the investigation and resolution of such reports.~~

UCF Policy 2-012 – Title IX Grievance Policy

~~UCF Policy 2-012 communicates the university process for submitting and investigating a complaint of Title IX sexual harassment, as defined in the policy. Additionally, the policy outlines the procedures for appealing an investigation or live hearing outcome, if applicable. The policy is administered by the vice president for compliance, ethics, and risk, chief compliance and ethics officer.~~

UCF Policy 2-014 – Amorous Relationships Prohibition

~~UCF Policy 2-014 is administered by the vice president for compliance, ethics, and risk, chief compliance and ethics officer and communicates expectations for employees to avoid any apparent or actual conflict between their responsibilities and personal relationships, outlining prohibited amorous relationships in the student and employment context. The policy also sets forth requirements for disclosure of certain amorous relationships.~~

UCF Policy 2-015 – Reporting Requirements Related to Nondiscrimination

~~UCF Policy 2-015 establishes the reporting requirements under UCF Policy 2-004 Nondiscrimination Policy and UCF Policy 2-012 Title IX Grievance Policy for responsible persons, as defined in the policy. This policy is also administered by the vice president for compliance, ethics, and risk, chief compliance and ethics officer.~~

UCF Policy 2-106 – Remedial Measures, Prevention, & Education Related to Nondiscrimination

~~UCF Policy 2-106 is administered by the vice president for compliance, ethics, and risk, chief compliance and ethics officer and establishes complainant options for reporting discrimination, harassment, sexual assault, sexual exploitation, relationship violence, stalking, sexual, gender-based, or Title IX sexual harassment, aiding and abetting in the commission of any act prohibited by UCF Policy 2-004 Nondiscrimination Policy and retaliation. The policy also provides for remedial, supportive, and protective measures, interim actions, and outlines the university's prevention, awareness, and training programs.~~

UCF Policy 2-010 – Whistle-blower Determination and Investigation

~~UCF Policy 2-010~~ is administered by the ~~C~~chief ~~A~~audit ~~E~~executive and communicates the requirement that all potential whistle-blower complaints received by university or DSO employees be reported to University Audit for determination of whistle-blower status. When a whistle-blower investigation is necessary, University Audit is responsible for performing the investigation into the whistle-blower complaint and will refer other claims that do not meet the definition of a whistle-blower complaint to the appropriate department for investigation.

UCF Policy 2-101 – University Regulation Development

[UCF Policy 2-101](#) establishes how a university regulation is developed. The policy and process are administered by the vice president and general counsel in compliance with the procedures adopted by the Board of Governors. The Office of the General Counsel maintains the online regulation library and provides communication to the university community on new and revised regulations through the regulation listserv.

UCF Policy 2-700 – Reporting Misconduct and Protection from Retaliation

[UCF Policy 2-700](#) is administered by the vice president for compliance, ethics, and risk, chief compliance and ethics officer, and establishes how and where members of the university community, including companies that conduct business with the university, should report concerns. The policy statement includes three main expectations:

1. All members of the UCF community are expected and encouraged to make good faith reports of suspected misconduct.
2. An employee who knowingly makes a false report or provides false information during an investigation may be subject to disciplinary action up to and including termination.
3. Retaliation against anyone who, in good faith, reports misconduct or who participates in an investigation of misconduct is strictly prohibited.

The policy covers the avenues for reporting, including within an employee's department, to central offices, to University Compliance and, Ethics, ~~and Risk~~, and through the UCF IntegrityLine (anonymous report line). The policy also covers the requirement to report possible fraud to University Audit and the requirements under Florida statute for reporting child abuse, neglect, and abandonment.

UCF Policy 2-800 – Fraud Prevention and Detection

[UCF Policy 2-800](#) is administered by the ~~C~~chief ~~A~~audit ~~E~~executive and communicates the requirement that suspected fraud, waste, or abuse be reported and investigated by University Audit. It is the policy of UCF to proactively exercise due diligence in the prevention and detection of fraud and objectively and independently investigate any misuse of university resources, as well as any suspected acts of fraud, theft, corruption, waste, or abuse, and to take appropriate disciplinary or legal action.

Element III – Effective Training and Education

University Compliance and, Ethics, ~~and Risk~~ and compliance partners are responsible for developing and implementing training and education to support ethical conduct and compliance at UCF. University Compliance and, Ethics, ~~and Risk~~ collaborates with compliance partners to assist in the development, evaluation, and delivery of training. All UCF employees are provided training to conduct university business with the highest ethical standards and in compliance with applicable laws, regulations, and policies and procedures.

Creating training modules and identifying need-based education is pivotal to the success of the Program. As part of the Program's core training regarding compliance and ethical conduct, the following on-line and in-person training [is available](#) to employees:

UCF Employee Code of Conduct/Speak Up! Whistle-blower training – This course is a combined course of both the UCF Employee Code of Conduct training and the Speak Up! Whistle-blower training. The UCF Employee Code of Conduct is part of UCF's comprehensive [eCompliance](#) and [eEthics](#) [pProgram](#), supported by the UCF Board of Trustees, the [university](#) president, and senior leadership. The purpose of the Employee Code of Conduct is to provide one guiding document that highlights many of the laws, regulations, UCF policies, and ethical standards that employees are already expected to follow. It can also serve as a resource for employees when faced with questions or ethical dilemmas. The purpose of the UCF Speak Up! Whistle-blower training is to provide an overview of university policies on reporting misconduct, explain protection from retaliation and whistle-blower protections, and assist employees in understanding their responsibility to report concerns. This training is required to be completed by all newly hired employees within the first week of employment and is available and promoted to current employees on a regular basis.

UCF Code of Conduct Annual Refresher Training and Certifications – This is an annual 20-minute refresher training required for all non-student employees and contains a brief overview of the purpose of the Code, provides targeted training on three compliance topics that rotate annually, and reminds employees of their duty to report misconduct. At the end of the training, employees are required to certify to their understanding of the Code and their responsibilities.

Ethical Leadership training – This training is encouraged for all employees and provided by [the vice president](#), [University cCompliance](#), [eEthics](#), and [rRisk](#) through the leadership development program and as requested. The training covers the ethical standards and values of the university and provides a framework for employees to navigate ethical dilemmas and decision-making. Employees who attend learn what it means to be an ethical leader and how leaders impact the culture of the university.

Potential Conflicts – Florida Code of Ethics for Public Officers and Employees training – This training provides an overview of the state's ethics laws, assists employees with identifying prohibited actions or conduct, and communicates the reporting and disclosure requirements of the state and university. This training is required to be completed by all newly hired employees within the first 30 days of employment and is available and promoted to current employees on a regular basis.

Gifts and Honoraria training – This training is based on the state's ethics laws as it relates to employees soliciting and receiving gifts, applicable reporting requirements, and communicates the university's policy and standards. This training is available and promoted to both new and current employees on a regular basis.

Youth Protection training – The Youth Protection Program training is intended to protect all faculty, staff, students, volunteers, and visitors of UCF, UCF [Direct Support Organizations](#), and third party organizations, as well as the minors they interact with, by providing education on

UCF policies, and federal and state reporting requirements when participating in youth related activities. The training also provides content on recognizing the signs of abuse and mandatory reporting requirements as per state law. All youth program staff, either UCF affiliated or third party, who ~~work with~~supervise minors are required to complete this training every two years to remain compliant with university policy, and federal and state laws.

UCF Actions to Prevent and Correct Discrimination – The Office of Institutional Equity is responsible for administering this online training. As required by applicable laws, regulations, and university policies, this course provides employees with information, resources, and rights and obligations of UCF employees on discrimination, harassment, and retaliation. Topics covered include discrimination and discriminatory harassment, the Americans with Disabilities Act and accommodations, interpersonal violence, amorous relationships, retaliation, and reporting duties. This training is required to be completed by all newly hired employees within the first week of employment and is available and promoted to all current employees on a regular basis.

Information Security Awareness Training – This online course is administered by the Information Security Office and promotes the secure and responsible use of the ~~U~~university's network. It helps employees become more skilled at detecting social engineering attacks, learn how to secure their data, and implement security best practices. This course is required to be completed by all newly hired employees within the first 30 days of employment and ~~is annually thereafter available and promoted to all current employees on a regular basis.~~

Student Records (SR) FERPA Training – This online training is designed to provide important information regarding the Family Educational Rights and Privacy Act (FERPA). This is the United States federal law that protects student records privacy review and disclosure rights. The law guarantees these rights for both current and former UCF students. FERPA affords students certain rights with respect to their education records. The course is administered by the University Registrar's Office and is required to be completed by newly hired employees within the first week of employment and must be completed every two years by employees with access to student records to remain in compliance with federal law.

Fraud Awareness – The purpose of this online University Audit designated course is to promote fraud prevention and awareness across UCF. Completion of this course better prepares employees to recognize potential fraud and determine what actions should be taken when these situations are identified. This training is required for all newly hired employees within the first week of employment and is mandatory for current employees who are engaged in the following scenarios: when employees within a specific college, department, and/or unit are identified as primary contacts for an upcoming audit, when the results of an investigation related to a specific college, department, and/or unit indicate that this training course would be beneficial. The course is also promoted on a regular basis to all other current employees who do not meet the indicated scenarios.

Targeted versions of the trainings listed above are also provided to departments and groups, as requested. In addition, training is developed or updated to meet the needs of the Program and to address areas of concern. As part of the Program, ~~University Compliance, Ethics, and Risk~~

~~provides~~ training is provided on the Clery Act and federal research compliance requirements in collaboration with compliance partners from the UCF Police Department and the Office of Research. Compliance partners also develop and administer vital training to employees as part of UCF's effective Program and cover the large amount of ethical and compliance requirements applicable to the university.

Website

In addition, the development and maintenance of the compliance website, which promotes UCF's policies and procedures, is a critical educational resource for university employees. Information on the website includes an overview of the Program, UCF Employee Code of Conduct, policies and procedures, the UCF IntegrityLine report line, UCF *IntegrityStar* newsletter, educational modules and videos, and links for additional resources. The training videos provided on the website and distributed to employees through other channels, cover the topics of retaliation, maintaining a safe and secure workplace, phishing, employment of relatives, responding to workplace violence, respecting others, and avoiding conflicts of interest.

IntegrityStar

The *IntegrityStar* newsletter is the official UCF Compliance and Ethics newsletter that is distributed to all employees three times per year (once per semester). Newsletter articles cover ethics and compliance topics, include articles by compliance partners, highlight new policies and regulations, and list upcoming training opportunities. The newsletter has a Case Corner section that features anonymized investigations and outcomes and ~~The newsletter~~ includes a recognition section in which employees are celebrated for demonstrating the values of the university. The newsletter also provides guidance to employees and contains educational videos and cartoons that communicate ethical conduct and compliance requirements. Each newsletter provides a link to the IntegrityLine and reminds employees to report suspected misconduct.

Educational Outreach

University Compliance and, Ethics, ~~and Risk~~ also educates the university community on ethical and compliance requirements through correspondence such as employee-specific and broadcast email distribution, direct mailing to departments or employees, and distribution of the UCF Compliance and Ethics brochure. The brochure provides an overview of the office and Program at UCF and is distributed as part of new employee orientation, outreach events, and national Compliance and Ethics Week activities.

Compliance and Ethics Week

Annually UCF celebrates national Compliance and Ethics Week through activities promoted and hosted by University Compliance and, Ethics, ~~and Risk~~. As part of the outreach activities, training sessions are either conducted by compliance partners or sent through broadcast email distribution on compliance and ethical hot topics. During the week, the values of the university

are celebrated, and the elements of the Program are promoted to all employees, with offered incentives to participate.

Compliance and Ethics Training for BOT Members

Board of Trustee members receive training regarding their responsibility and accountability for ethical conduct and compliance with applicable laws, regulations, rules, policies, and procedures as part of the orientation process and as requested by the chair. The vice president for compliance, ethics, and risk, chief compliance and ethics officer, regularly educates the Board of Trustees Audit and Compliance Committee regarding applicable federal and state compliance requirements and the Program during committee meetings.

Element IV – Effective Lines of Communication

As part of an effective program, organizations are required to have and publicize a system that allows for anonymity or confidentiality, whereby members of the university community can report or seek guidance regarding potential or actual misconduct without the fear of retaliation. All members of the UCF community are expected and encouraged to make good faith reports of suspected misconduct. These expectations are communicated in UCF Policy 2-700, Reporting Misconduct and Protection from Retaliation. The policy includes procedures for when to report and the communication lines that are available for reporting. As part of the options for reporting, the UCF IntegrityLine, the anonymous reporting line, is provided and publicized to all members of the university community.

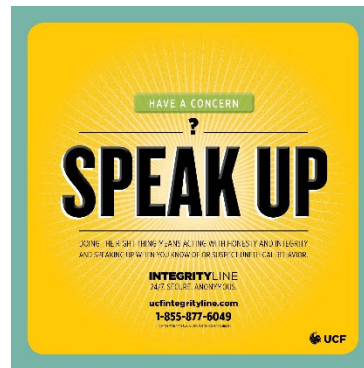
The UCF IntegrityLine is a secure reporting system administered by an independent third-party, NAVEX Global. The IntegrityLine is available 24 hours a day, 365 days a year, and is located at ucfintegrityline.com, or by calling 1-855-877-6049 toll-free. The third-party NAVEX Global uses their case management system, EthicsPoint, to provide an anonymous way for individuals who may be reluctant to report suspected misconduct through university administrative or central offices. The internet portal never identifies a visitor and deletes the internet address so that anonymity is preserved. Callers are not traced or recorded.

IntegrityLine reports are processed by the third-party EthicsPoint and sent to University Compliance, and Ethics, and Risk to address appropriately. All reports are reviewed, investigated, and responded to as discreetly and promptly as possible. Reports received through the UCF IntegrityLine are triaged between the assistant vice president for compliance and ethics and the chief audit executive. Based on the nature of the report, they are either investigated by University Compliance and Ethics, and Risk, University Audit, investigated jointly by both offices, or they may be referred to the appropriate compliance partner for review. When reports are received through the UCF IntegrityLine that involve behavior involving-related to students under the UCF *Golden Rule*, the cases are referred to the Office of Student Rights and Responsibilities. When reports are criminal in nature, the reports are referred to the UCF Police Department.

If employees decide to provide their identity, University Audit will conduct a whistle-blower determination in accordance with UCF Policy 2-010 Whistle-blower Determination and

Investigation and will notify the employee of their eligibility for whistle-blower status. Should an employee not be granted whistle-blower status, they are still protected from retaliation under UCF Policy 2-700 —Reporting Misconduct and Protection from Retaliation. The university does not tolerate retaliation and will take all reasonable and necessary actions to protect members of the university community who have filed good faith reports of misconduct. If someone who has filed a report or participated in an investigation feels as if they are experiencing retaliation, they are directed to contact University Compliance ~~and~~, Ethics, ~~and Risk~~ immediately. Reports of retaliation are investigated by University Compliance ~~and~~, Ethics, ~~and Risk~~ and include the appropriate compliance partners based on the allegations.

The UCF IntegrityLine is publicized through multiple channels to the university community. The image to the right is the poster that is distributed to all building managers and placed throughout buildings on all UCF campuses. The IntegrityLine logo and link are also placed on all University Compliance ~~and~~, Ethics, ~~and Risk~~ web pages, compliance partner websites, ~~the~~ *IntegrityStar* newsletter editions, ~~the~~ UCF Employee Code of Conduct, and training modules. In addition, wallet cards are distributed to all new employees during orientation, training sessions, and during outreach events.



Marketing materials with the IntegrityLine information, such as ear buds, are also distributed to employees during outreach events and training.

Element V – Routine Monitoring, Auditing, and Identification of Risks

To ensure that the Program is followed, routine monitoring, risk assessments, and audits are performed. Through these efforts weaknesses and risks are identified and steps are taken to improve the ~~p~~Program, strengthen internal controls, and mitigate the risks of misconduct and noncompliance. To fulfill the requirements of this element, the following activities are included in the Program:

Conflicts of Interest Disclosure

As a state institution and recipient of federal funds, UCF must comply with both state and federal requirements regarding the disclosure and management of conflicts of interest and commitment. Additionally, the university is committed to conducting university business and activities with integrity and has developed policies and procedures to identify, manage, and, when appropriate, remove potential and actual conflicts of interest and commitment. University Compliance ~~and~~, Ethics, ~~and Risk~~ provides oversight and management of the university's conflicts of interest and commitment reporting process. At each ~~e~~Committee meeting, the ~~vice president for compliance, ethics, and risk, chief compliance and ethics officer, office~~ provides the Board of Trustees Audit and Compliance Committee updates on the office's monitoring efforts of the disclosure process and policies for the university, UCF ~~e~~Direct ~~s~~Support ~~e~~Organizations and component units. Every five years the office conducts a full review of the conflicts of interest and commitment policies and procedures, disclosure process, monitoring efforts, and corrective actions or

management plans for the university, UCF ~~d~~Direct ~~s~~Support ~~e~~Organizations, and component units.

Each academic year, a potential outside activity, employment, and ~~potential~~ conflict of interest and commitment disclosure is required of all faculty, executive staff, post-doctoral employees, and select individuals in university positions of trust, or other employees engaged in the design, conduct, and reporting of research at UCF. Through this process, employees report all outside activities for review and approval in advance of engaging in the outside activity and University Compliance and, Ethics, ~~and Risk~~ serves as the final reviewer of all outside activities disclosed through this process. All other employees must submit a report to their supervisor prior to the initiation of any outside activity or employment and when a potential conflict of interest exists. An amended disclosure must be submitted within 30 days of any change in circumstances.

University Compliance and, Ethics, ~~and Risk~~ provides training modules, guidance, review and approval of disclosures, reviews and monitors management plans, and performs investigations into conflicts of interest and commitment. The process of disclosing all outside activities for review and approval protects employees from unknowingly violating a state or federal law, and protects the credibility and reputations of employees and the university by providing a transparent system of disclosure, approval, and documentation of outside activities that might otherwise raise concerns of a conflict of interest or commitment. Through this review process, the office is continually assessing risk exposures and taking proactive steps to address those risks before they develop into misconduct. The following regulation and policies ~~iesy~~ communicate the expectations for disclosure and compliance:

UCF Regulation 3.018 Conflict of Interest or Commitment; Outside Activity or Employment is a longstanding university regulation that outlines the conflict of interest and commitment disclosure process at UCF and includes ~~state and~~ federal and state reporting requirements.

UCF Policy 4-504 Reporting Outside Activities, Financial Interests, and Potential Conflicts of Interest or Conflicts of Commitment in Research communicates the federal and state disclosure requirements and procedures for faculty and staff who engage in federally funded research.

UCF Policy 2-009 Gifts and Honoraria specifies the procedures for employees to identify allowable gifts and honoraria in compliance with state ethics laws and university standards, as well as communicates the reporting requirements when accepting certain gifts and honoraria. In accordance with Florida Statutes Chapter 112, part III Code of Ethics for Public Officers and Employees, the policy also includes restrictions on soliciting and receiving gifts and honoraria.

Drug-Free Schools and Workplace

University Compliance and Ethics oversees the university's compliance with the Drug-Free Schools and Communities Act passed in 1986, amended in 1989 as part of the reauthorization of the Higher Education Act and the Drug-Free Workplace Act of 1988. As chair of the Biennial Review Committee, the office facilitates the review every two years as required by federal law, of the university's drug and alcohol abuse prevention program for its campus community. The

following university policy outlines the requirements:

UCF Policy 2-7001 Drug-Free Schools and Workplace outlines the required components of the university's drug and alcohol abuse prevention program under federal law.

Privacy Compliance Program

University Compliance and Ethics oversees the university-wide privacy program that establishes standards for the protection of data in accordance with applicable laws and regulations and monitors the university's compliance with these requirements. Program activities include establishing and updating appropriate policies, procedures, and public facing privacy notices, ensuring that appropriate language is included in contracts with third parties, administering and reviewing data protection impact assessments, responding to data subject access requests, reviewing research and similar studies involving personal data, providing privacy and data protection-related guidance, and responding to and resolving incidents of potential non-compliance. The Privacy Compliance Program works in tandem with the Information Security Office to secure and protect personal data and deliver awareness training. The following university policies contain privacy related requirements:

UCF Policy 2-105 Identity Theft Protection outlines the university's Identity Theft Prevention Program pursuant to the Federal Trade Commission's Red Flags Rule, which implements Section 114 of the Fair and Accurate Credit Transactions Act of 2003.

UCF Policy 3-206 Credit Card Merchant Policy sets out the requirements for protecting cardholder data in compliance with Payment Card Industry's Data Security Standards.

UCF Policy 4-002 Use of Information Technologies and Resources establishes the parameters for employee's use of university technology to safeguard data.

UCF Policy 4-008 Data Classification and Protection communicates the required and appropriate managerial, operational, physical, and technical controls for access, use, transmission, storage, and disposal of university, state, and federal data which includes personal data.

UCF Policy 4-012 Collection and Use of Social Security Numbers requires the request and use of SSNs to be limited to what is required for the performance of the university's duties and responsibilities and to secure this information from inappropriate release or disclosure.

UCF Policy 4-015 Information Security Incident Response establishes the process for elevating concerns of potential information security incidents.

Foreign Influence Program

The vice president for compliance, ethics, and risk, chief compliance and ethics officer oversees the university's foreign influence compliance program and the procedures for the foreign influence assessment process. As part of this oversight, University Compliance and Ethics performs foreign influence red flag reviews during the potential outside activity, employment,

and conflict of interest and commitment disclosure review process and monitors completions for required disclosures outlined in Florida Statutes Section 1012.977 and University Policy 4-504 Reporting Outside Activities, Financial Interests, and Potential Conflicts of Interest or Conflicts of Commitment in Research. The Office of International Collaboration and Export Control reviews for potential foreign influence red flags during the Export Control Review Process, International MOU Review Process, Sponsored Research Process, Travel Review Process, Visa Process, and foreign applicant review process. The vice president for compliance, ethics, and risk, chief compliance and ethics officer determines whether the red flags necessitate an inquiry and potential investigation.

Youth Protection Program

The university hosts a variety of academic, recreational, and service programs that engage non-enrolled minors. All youth programs vary significantly, and UCF is committed to providing a safe and healthy environment for all programs associated with the university. The Youth Protection Program sets forth standards and expectations for providing a safe environment for all minors and to ensure all persons understand how to minimize the threat of child abuse and neglect, recognize the signs of child abuse and neglect, and respond promptly and effectively should child abuse and neglect be observed, suspected, or disclosed. University Compliance and, Ethics, ~~and Risk~~ is responsible for overseeing compliance with the university's Youth Protection Program policy requirements, including processing and tracking registrations for applicable campus activities or programs involving non-enrolled minors, tracking mandatory program staff training and background checks in accordance with state law, and ensuring mandatory reporting of any known or suspected child abuse, abandonment or neglect.

[UCF Policy 2-005 Youth Protection](#) communicates UCF's expectations for the protection of minors and outlines the required procedures for background screenings, training, and registration of programs involving minor participants.

Department Database Review

University Compliance and, Ethics, ~~and Risk~~ tracks inquiries and requests made to the office in a reporting database by topic and location. Annually this data is reviewed and analyzed to identify potential trends or compliance risk areas that could benefit from proactive measures such as training or outreach.

IntegrityLine Case Review

Twice ~~a~~per month University Compliance and, Ethics, ~~and Risk~~ reviews open investigations to ensure issues are being addressed in a timely manner, and assesses the reports received for trends of noncompliance or risks. Annually, the office performs an analysis on data for the previous calendar year and provides a report and overview to the ~~b~~Board's Audit and Compliance Committee, university president, and vice presidents. In response to trends identified through both the monthly and annual analyses, University Compliance and, Ethics, ~~and Risk~~ provides guidance on noncompliance or risks identified and makes changes to the Program, provides targeted training and education, provides targeted communications and guidance, and

collaborates with compliance partners to address issues as appropriate.

Risk Assessment

University Compliance ~~and~~, Ethics ~~assesses and documents risks on a regular basis, and Risk performs an enterprise-wide risk assessment of university activities every three years. This assessment identifies and ranks risks and evaluates the existence of appropriate internal controls to mitigate risks.~~ The assessment, in conjunction with the elements of an effective compliance program, is the basis for the annual compliance ~~and ethics~~ work plan. The work plan stipulates development, review, training, monitoring or other activities that University Compliance ~~and~~, Ethics, ~~and Risk~~ will conduct during the year.

External Compliance Requests or Investigations

~~The vice president for compliance, ethics, and risk, chief compliance and ethics officer University Compliance, Ethics, and Risk~~ provides oversight and coordination of external inquiries into compliance with federal and state laws or NCAA requirements and takes appropriate steps to ensure safe harbor for the university in instances of non-compliance. As part of this responsibility, the office provides guidance to compliance partners, conducts investigations, and provides the university's response as appropriate. Based on the issues that are identified, the office ensures that appropriate changes are made to the Program to support compliance, ethical conduct, and mitigation of risks.

Coordination with Internal Audit

University Audit serves as the university's internal auditor, providing internal audits and reviews, management consulting and advisory services, investigations of fraud and abuse, follow-up of audit recommendations, evaluation of the processes of risk management and governance, and coordination with external auditors. ~~The vice president for compliance, ethics, and risk, chief compliance and ethics officer University Compliance, Ethics, and Risk~~ provides guidance to University Audit on compliance-related audits and matters. Based on audit findings, University Compliance ~~and~~, Ethics, ~~and Risk~~ provides guidance, training, or assists departments with policy and procedure development. Fraud or other issues requiring investigation, or an audit identified by University Compliance ~~and~~, Ethics, ~~and Risk~~, are referred to University Audit for appropriate response. As appropriate, both offices work together to evaluate or investigate misconduct or risks.

External Audits

The UCF Board of Trustees Audit and Compliance Committee is assigned oversight responsibility to:

- receive and review audits by the State of Florida Auditor General;
- receive and review audits of the ~~d~~Direct ~~s~~Support ~~o~~rganizations and component units; and

- review and contract with external auditors for special audits or reviews related to the university's affairs and report the results of any such special projects to the ~~b~~Board.

Serving as the internal auditor, University Audit provides coordination and guidance to the ~~b~~Board and senior leadership for external audits or investigative matters related to fraud, waste, abuse of resources, and other matters as requested.

Element VI - Respond Promptly to Detected Problems and Undertake Corrective Action

When non-compliance, unethical behavior, or criminal conduct is detected, the university takes the appropriate steps to prevent further similar behavior, including making any necessary modifications to the Program. The vice president for compliance, ethics, and risk, chief compliance and ethics officer~~University Compliance, Ethics, and Risk~~ provides guidance on compliance, ethics, and risk related matters to the university community. University Compliance and Ethics~~The office~~ collaborates with compliance partners and senior leadership to review and resolve compliance and ethics issues, accomplish objectives, and facilitate the resolution of problems. As part of this responsibility, the office performs the following:

Investigations

University Compliance ~~and~~, Ethics, ~~and Risk~~ receives allegations of misconduct or noncompliance through multiple channels, including direct reports from employees, compliance partners, individuals or entities external to the university, and the UCF IntegrityLine. Allegations of misconduct or noncompliance may also be identified through monitoring and other Program activities. The office initiates, conducts, supervises, coordinates, or refers to other appropriate offices investigations of misconduct or noncompliance, or performs reviews deemed appropriate in accordance with university regulations and policies, state statutes, and federal regulations.

Corrective Actions

When problems are detected, the vice president for compliance, ethics, and risk, chief compliance and ethics officer~~University Compliance, Ethics, and Risk~~ makes the appropriate modifications to the Program and updates the Plan to reflect those changes. When appropriate, the vice president for compliance, ethics, and risk, chief compliance and ethics officer ~~the office~~ provides oversight and guidance to compliance partners to make changes to the Program within their area of responsibility. In addition, ~~the office provides~~ recommendations to colleges, departments, or units for corrective actions to resolve and correct issues related to misconduct or noncompliance identified through investigations, monitoring, or other activities are also provided.

It is the responsibility of each college, department, or unit's executive officer to implement recommended corrective actions. ~~The office monitors the completion of r~~Recommended corrective actions are monitored and escalated ~~s issues~~ as appropriate to senior leadership, the university president, and the ~~b~~BBoard's Audit and Compliance Committee. These efforts serve to ensure that the Program remains effective and that the university is taking steps to prevent the reoccurrence of misconduct, noncompliance, or criminal activity.

Element VII – Enforce and Promote Standards through Appropriate Incentives and Disciplinary Guidelines

The Program is promoted and enforced consistently through the application of appropriate incentives and, when necessary, appropriate disciplinary measures resulting from instances such as employees engaging in misconduct or noncompliance and failing to take reasonable steps to prevent or detect misconduct, noncompliance, and criminal conduct. ~~The vice president for compliance, ethics, and risk, chief compliance and ethics officer~~University Compliance, Ethics, and Risk, in consultation with the university president and the ~~b~~BBoard's Audit and Compliance Committee, provides guidance and recommendations for appropriate incentives and disciplinary measures to encourage a culture of compliance and ethics. When failures in compliance and ethics are identified, the Program requires that issues are addressed in a timely manner through appropriate measures, including education or disciplinary action.

Employee Performance

Annually, all employees receive performance appraisals. Employees are evaluated on the performance of their duties as communicated through job descriptions, whether they met expected goals and objectives, and whether they performed in a manner consistent with UCF values.

Incentive Program

University Compliance ~~and, Ethics, and Risk~~ implemented a process for identifying and recognizing employees who exemplify the expectations of the Program and the values of the university. Three times per year, employees are presented with the IntegrityStar award signed by the vice president for compliance, ethics, and risk, chief compliance and ethics officer and recognized in an article in the *IntegrityStar* newsletter. In addition, incentives are offered to employees who participate in the annual Compliance and Ethics Week activities.

Disciplinary Procedures for Employees

~~The vice president for compliance, ethics, and risk, chief compliance and ethics officer~~University Compliance, Ethics, and Risk provides guidance to supervisors and members of the senior leadership team on appropriate disciplinary action up to and including termination when misconduct, noncompliance, or criminal conduct is identified. As part of this process, University Compliance ~~and, Ethics, and Risk~~ collaborates with Human Resources and General Counsel to ensure that supervisors provide disciplinary action consistently and in compliance with applicable laws, regulations, and policies. It is the responsibility of the supervisor or appropriate

senior leader to ensure that disciplinary action is implemented, including criminal charges when appropriate, and that other corrective actions are completed. The following policies communicate the expectations and procedures for disciplinary action:

[UCF Board of Trustees – United Faculty of Florida Collective Bargaining Agreement, Article 16](#) provides the negotiated policy and procedures for disciplinary action for in-unit faculty.

[Regulation 3.0124 Discipline and Termination for Cause of Non-unit Faculty and A & P Staff Members](#) communicates the policy and procedures for disciplinary action for non-unit faculty and Administrative & Professional employees.

[Regulation 3.0191 Disciplinary Action – University Support Personnel System](#) provides the policy and procedures for disciplinary action for University Support Personnel System employees of the university with regular status.

Element VIII – Measure Compliance Program Effectiveness

The Program is evaluated periodically to assess its effectiveness in promoting a culture of compliance and ethical conduct and for compliance with Chapter 8 of the Federal Sentencing Guidelines and Board of Governors Regulation 4.003. The following are the activities performed to assess the effectiveness of the Program:

Annual Effectiveness Reports

~~The vice president for compliance, ethics, and risk, chief compliance and ethics officer~~ [University Compliance, Ethics, and Risk](#) provides an annual report on the effectiveness of the Program to the ~~b~~Board's Audit and Compliance Committee and the [university](#) president. To assess the program, compliance partners are required to report annually on their activities and efforts for meeting the requirements of the Plan through a survey developed by University Compliance ~~and~~, ~~Ethics, and Risk~~. These reports, as well as the activities and efforts of the office, are assessed and included in the annual report. Based on this process any identified deficiencies are addressed and appropriate modifications are made to the Plan. As required by Board of Governors Regulation 4.003, any Plan revisions based on the report are approved by the Board of Trustees. A copy of the report and revised Plan is provided to the Board of Governors.

Culture Survey

University Compliance ~~and~~, ~~Ethics, and Risk~~ conducts an anonymous survey every two years to evaluate the compliance and ethics culture at UCF. The results from the initial survey served as a benchmark for future surveys. The survey serves as a mechanism to identify opportunities to strengthen the compliance and ethics culture and to measure the compliance and ethics Program's progress. The survey is distributed by email to all university employees, including hourly and student employees. The survey includes questions related to an employee's knowledge of the Program, thoughts on the university's culture, view of leadership, how comfortable they are raising concerns, and if they feel protected from retaliation.

Institutional Effectiveness Assessment Process

As part of the university's Institutional Effectiveness Assessment Process, University Compliance ~~and~~, Ethics, ~~and Risk~~ annually develops an assessment plan that targets specific components of the Program to evaluate, measure, and improve. The process includes the annual setting of outcomes and measures, collecting data, reporting results, and developing a new assessment plan to measure the impact of the improvements made to the Program. Using this process allows the office to evaluate Program effectiveness and make improvements as necessary.

Program Effectiveness Review

As required by Board of Governors Regulation 4.003, each university will obtain an external review of the Program's design and effectiveness at least once every five years. The review and any recommendations for improvement ~~will be~~ provided to the university president and Board of Trustees. The assessment ~~will be~~ approved by the Board of Trustees and a copy ~~is~~ provided to the Board of Governors. The ~~first review will be conducted within five years of the implementation of Regulation 4.003 and will be~~ performed consistent with guidance from the Board of Governor's Inspector General's office.

Board of Trustees
November 17, 2022

BUD-1: University Investment Program Structure Update

☐ Information

☐ Discussion

☒ Action

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

On a regular basis, the Treasurer's office meets with the university's investment advisors and investment managers to discuss strategies to improve the university's investment program structure. With today's changing investment landscape, we believe there are new opportunities to reduce our portfolio risk tolerance, while simultaneously increasing liquidity and returns for the university. Attached you will find the investment policy and its accompanying subsections broken out for easier review. The current policy includes the main tenets of the policy with the subsections including the guidelines that govern each of the four pools that make up the total portfolio.

The Federal Reserve ("Fed") has been aggressive in its campaign, raising policy rates, reducing its balance sheet, and speaking about further policy actions to come. The resulting rapid re-valuation of credit markets has created what we believe to be, an extraordinary opportunity for operating funds to increase prospective returns while decreasing risk (as measured by quality, and market-to-market volatility).

Below we outlined some clarifications and changes to our existing Investment Policy Statement. This is a living document that will be updated periodically after review with the Budget and Finance Committee. The statement was last approved by the Board of Trustees in June 2020 and is subject to changes periodically.

Clarifications:

These items do not require a change to the policy statement, but an update to current practices and manager fees.

1. **Pool I Re-establishment** – Several years ago, Pool I in the BNY Mellon portfolio was closed to having funds invested. Funds in that pool were moved over to SPIA (Special Purpose Investment Account). The university would like to re-establish Investment Pool I by moving funds from SPIA into U.S. Treasury based money market funds at BNY/Mellon when it is advantageous to do so for liquidity and cash management purposes. Short term interest rates have risen significantly providing attractive returns for U.S. Treasury backed money market investments.
 - a. One year Treasury securities are averaging yields to maturity of approximately 4% as of October 2022. The SPIA rate of return for September 2022 was approximately 1.20%.
 - b. The re-establishment of Pool I will allow for unlimited same day liquidation/investment decisions when processed prior to 4:00 PM. Currently, the SPIA fund only allows for a maximum of \$20M in same day liquidations/investments when processed prior to 11:00

AM. If there is a need for larger funding requirements advance days' notice must be provided. For example, if a need for funds exceeds \$20 million but is less than \$75 million, five days' notice is required for redemption. If the amount is greater than \$75 million, twenty days' notice is required.

2. **Fund Conversion** – Exchange domestic equity index providers from Vanguard to Fidelity. This change would result in reduced fees of 2.5 basis points, which is estimated to generate savings of approximately \$18,000 per year.

Changes:

1. **Benchmark/mandate changes to Pool IV** – Reduce the average duration/maturity of the fixed income benchmark to the Bloomberg Intermediate Aggregate Index (bonds which are 1-10 years to maturity) rather than using the full Bloomberg Aggregate Index (Bonds from 1-30 years of maturity). This change allows for a significant reduction in investment volatility with minimal forfeiture of total return (in the long-term). Most significantly, this action eliminates exposure to the inherent price volatility in longer dated corporate investments going forward.
2. **Allocation target for International Equity Pool IV** - Reduce the current policy allocation target from 15% down to 10%, while commensurately increasing the Domestic Equity target from 45% to 50%. This re-allocation should result in lower overall return volatility from the equity allocation.

If the proposed clarifications and changes are approved by the UCF Board of Trustees, please note that the following actions have been prepared and will be immediately executed upon conclusion of the meeting:

1. Work with our investment advisors to make the necessary contacts with SPIA and other partners to affect this transaction and maintain this protocol.
2. The University SPIA account currently has a required minimum ("floor") balance of \$203,102,591. Amounts held in that account more than that total will be transferred to the reestablish Pool I at BNY Mellon.
3. A Letter of Direction will be executed to move from the Vanguard fund to the new Fidelity fund. The goal is to complete the transfer within the same business day to eliminate any market timing risks.
4. A Letter of Direction will be executed to rebalance the equity allocation per the new policy targets.

Background Information:

The university establishes its investment parameters in accordance with sections 1011.42(5) and 218.415, Florida Statutes, and the UCF Investment Policy Manual (policy), including its supplement and operating pool sub-sections (Attachment A). The Senior Vice President for Administration and Finance and Chief Financial Officer or designee consolidates, where practicable and allowable, cash balances and investments from all funds covered by the policy to minimize risk exposure and maintain liquidity while maximizing investment earnings.

As required by section 218.415, Florida Statutes, the investment objectives of the University for invested funds shall be to provide for safety of capital, liquidity of funds, and investment income, in that order. The optimization of investment returns shall be secondary to the requirements for safety and liquidity.

In addition to funds invested in the authorized State Treasurer's Special Purpose Investments Account (SPIA) and State Board of Administration's Local Government Investment Pool (SBA), excess funds might be invested within other qualified public depositories for the purposes to maintain safety, but also increase returns as opportunities present themselves to do so.

Pool I is designated as cash reserves for operational expenses and will hold the following assets classes and targets:

Asset Group	Target	Range	Comparison
Cash & Equivalents	100%	N/A	90 Day US T-Bills

This pool will be the utilized as a part of the short-term cash management needs.

UCF receives cash from several sources during a fiscal year. It is primarily made up of Educational and General, Auxiliary, Contracts and Grants, Foundation, and other miscellaneous funds. These funds are bifurcated within the general ledger based on state statutes (colors of money) and other regulations and will be invested in different ways.

Education and General funds come in the form of student tuition and fee payments and state support. For purposes of this investment policy, these funds will be invested in the following manner.

1. All state support will be deposited in SPIA (Special Purpose Investment Account). Those funds come into the university on a bi-weekly basis.
2. All student and fee funds come into the university via deposits to one of the university's qualified public depositories (QPDs) (currently Bank of America), primarily at the start of each semester.

All **non**-Education and General funds (e.g., auxiliary) also come into the university via deposits to one of the university's qualified public depositories (currently Bank of America).

All funds received by the university will be managed using a ladder and structured short term cash management program. This program will include time horizons based on liquidity, cash flow and programmatic needs. All investment time horizons will adhere strict rules and regulations of the state of Florida. The cash management program will utilize three qualified public depositories. They currently are: SPIA, BNY Mellon and Bank of America.

The cash management protocols are as follows:

1. The Florida State Treasury office requires each University to maintain a floor balance within the SPIA fund. This floor balance is calculated as sixty percent (60%) of the previous three-month average balance, with it being updated each month for changes. It resets each month for the succeeding month. Additionally, ***"the period of time the minimum balance must be invested is six months. Therefore, six months' notice will be required for withdrawals below the minimum balance. The minimum balance amount and/or period of time may be amended by the Treasury, at its sole option, with 30 days advanced written notice."***
2. The university will liquidate all SPIA holdings more than the floor's minimum balance and will invest these funds within Pool I at another qualified public depository (currently BNY Mellon). The University Treasurer working with the Chief Financial Officer will ensure that the amounts

are adequately invested to maximize investments returns to the university for use on key university mission and objectives.

3. All student tuition and fee payments, contracts and grants, Foundation reimbursements, and auxiliary revenues that come into Bank of America will be analyzed for daily liquidity to meet the university's daily cash needs, and any excess over \$5 million on any given day will be invested in Pool I.
4. Pool I will only have securities that are safe, liquid, and available for immediate liquidations as well as to take advantage of investment earnings.

Pool II is designated to cover the University's medium-term requirements such as debt service for the next year. The university will engage in an exercise through its new "all funds" model to review a schedule of liabilities or claims on cash process to set time horizons for this pool. Funds invested in this pool are primarily non-E&G funds but provides a short term cash management option that spans one year. This fund will be tied to the annual budgeting process for auxiliaries and other non-E&G units.

Asset Group	Target	Range	Comparison
Fixed Income	75%	50% - 100%	ICE BofAML 1-year Treasury
Cash & Equivalents	25%	0%-50%	90 Day US T-Bills

Pool III is considered excess cash reserves that may be invested in longer-term investments (up to seven years). These funds do not have an immediate need but have a longer time horizon for investing (e.g. putting aside funds for a new parking facility or deferred maintenance needs on auxiliary buildings). Investment vehicles are shown in the table below.

Asset Group	Target	Range	Comparison
Domestic Equity	15%	10% - 20%	S&P 500
Intermediate Fixed Income	85%	75% - 95%	ICE BofAML 1-5yr G/C A or Better
Cash & Equivalents	0%	0% - 15%	90 Day US T-Bills

Pool IV is for optimization of investment returns and have longer maturities. Investment vehicles in this pool are shown in the table below:

Asset Group	Target	Range	Comparison
Domestic Equity	50%	45% - 55%	S&P 500
International Equity	10%	5% - 15%	MSCI-ACWxUS
Alternative Assets*	5%	0% - 10%	TBD
<i>Total Equity & Equivalents</i>	65%	55% - 75%	
Fixed Income	30%	25% - 35%	Bloomberg Capital Intermediate Aggregate
TIPS*	5%	0% - 10%	Bloomberg TIPS

<i>Total Fixed Income</i>	35%	30% - 40%	
Cash & Equivalents	0%	0% - 5%	90 Day US T-Bills

The UCF Investment Policy Manual was last reviewed by the Board of Trustees on August 12, 2020.

Recommended Action:

Approve the proposed clarifications and changes to the University Investment Policy Statement.

Alternatives to Decision:

Decline to approve the proposed amendments to the University Investment Policy Statement or request revisions in lieu of what is being proposed.

Fiscal Impact and Source of Funding:

It is estimated that the proposed changes will result in increased interest income returns generated from the structured investment portfolio, however specific amounts can not be determined as it is dependent upon future market conditions.

Authority for Board of Trustees Action:

Sections 1011.42(5) and 218.415, Florida Statutes; UCF-4.014 Investments; UCF Investment Policy Manual

Contract Reviewed/Approved by General Counsel ☐ N/A ☒

Committee Chair or Chair of the Board has approved adding this item to the agenda ☒

Submitted by:

Gerald Hector, Senior Vice President for Administration and Finance

Supporting Documentation:

Attachment A: UCF Investment Policy Manual, Supplement, and Operating Pool Sub-Sections

Facilitators/Presenters:

Gerald Hector, Senior Vice President for Administration and Finance

Bert Francis, Assistant Vice President for Debt Management and University Treasurer



UNIVERSITY OF CENTRAL FLORIDA

INVESTMENT POLICY MANUAL

TABLE OF CONTENTS

INVESTMENT POLICY	<u>32</u>
INVESTMENT OBJECTIVES	<u>32</u>
PERFORMANCE MEASUREMENT	<u>43</u>
PRUDENCE AND ETHICAL STANDARDS	<u>43</u>
BROKER DEALERS, SAFEKEEPING AND CUSTODY	<u>54</u>
AUTHORIZED INVESTMENTS	<u>54</u>
UNIVERSITY ENDOWMENT	<u>87</u>
RISK AND DIVERSIFICATION	8
QUALIFIED PUBLIC DEPOSITORY, INVESTMENT INSTITUTIONS AND DEALERS	8
THIRD PARTY CUSTODIAL AGREEMENTS	<u>98</u>
MASTER REPURCHASE AGREEMENT	<u>98</u>
BID REQUIREMENT	9
INTERNAL CONTROLS	9
CONTINUING EDUCATION	9
REPORTING	9
ANNUAL REVIEW	<u>109</u>
GLOSSARY	11

<u>OPERATING POOL SUPPLEMENT</u>	<u>14</u>
<u>OPERATING POOL I SUB-SECTION</u>	<u>20</u>
<u>OPERATING POOL II SUB-SECTION</u>	<u>21</u>
<u>OPERATING POOL III SUB-SECTION</u>	<u>25</u>
<u>OPERATING POOL IV SUB-SECTION</u>	<u>29</u>

Investment Policy

The University establishes its investment parameters in accordance with Sections 1011.42(5) and 218.415, Florida Statutes, and complies with all applicable state ordinances and covenants. The Senior Vice President for Finance-Administration and Finance and Chief Financial Officer (~~Vice President~~) (“Chief Financial Officer”) or designee will consolidate, where practicable and allowable, cash balances and investments from all funds covered by this policy to minimize risk exposure and maintain liquidity while maximizing investment earnings.

This policy and manual is applicable to the University of Central Florida funds being held to meet current expenses and the excess of funds required to meet current expenses. This policy and manual is also applicable to the university’s various Direct Support Organizations that do not have an investment policy or manual approved by its board.

Investment Objectives

As required by Section 218.415, Florida Statutes, the investment objectives of the University for invested funds shall be to provide for safety of capital, liquidity of funds, and investment income, in that order. The optimization of investment returns shall be secondary to the requirements for safety and liquidity. In addition to funds invested in the authorized State Treasurer’s Special Purpose Investments Account (SPIA) and State Board of Administration’s Local Government Investment Pool (SBA), excess funds may be divided in four different pools for the structured portfolio as follows: Pool I will be designated as cash reserves for operational expenses; Pool II will be designated to cover the University’s medium term requirements such as debt service for the next year; Pool III will be considered excess cash reserves that may be invested in longer term investments (up to seven years). Safety and optimization of investment returns may be the investment objectives of funds invested in Pool IV only (liquidity is secondary).

1. **Safety** - Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks the preservation of capital in the overall portfolio. The objective will be to limit credit risk and interest rate risk to a level commensurate with the risks associated with prudent investment practices and the performance benchmarks stated herein, if applicable.
2. **Credit Risk** - The University will limit credit risk (the risk of loss due to the failure of the security issuer or backer) by diversifying the investment portfolio so that potential losses on individual securities will be minimized and by limiting investments to specified credit ratings.
3. **Liquidity** - The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature to meet anticipated demands (static liquidity). Since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). The portfolio may be placed in local government investment pools, money market mutual funds or similar funds that perform similar to money market funds that offer same-day liquidity for short-term funds.
4. **Yield** - The investment portfolio shall be designed with the objective of attaining a market rate of return, as measured by specified benchmarks, throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity with the following exceptions:

- A. A security with declining credit risk may be sold early to minimize loss of principal.
- B. A security swap that would improve the quality, yield, or target duration in the portfolio.
- C. Liquidity needs of the portfolio require that the security be sold.
- D. Adverse market or economic conditions.

5. Transparency - The University shall operate its portfolio in a transparent manner, making its periodic reports both available for public inspection and designed in a manner which communicates clearly and fully information about the portfolio, including market pricing, adjusted book value, and yields.

To the extent possible Education and General funds will be invested in the State Treasurer's Special Purpose Investment Account (SPIA) and State Board of Administration's Local Government

Investment Pool (SBA); any excess Education and General funds may be invested in Pool I money market funds and Pool II or Pool III fixed income investments.

Performance Measurement

As a benchmark for investment returns, the University's investment portfolio, net of fees, should strive to equal or exceed the returns provided by the State Treasurer's Special Purpose Investment Account (SPIA). However, achieving this benchmark is secondary to the requirements for safety and liquidity.

Prudence and Ethical Standards

1. Prudence - The standard of prudence to be used by investment officials shall be the Prudent Person Rule and shall be applied in the context of managing an overall portfolio. University personnel, acting in accordance with this investment policy shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported to the University's governing board in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy. The Prudent Person Rule states that: "Investments should be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived from the investment."
2. Ethics and Conflicts of Interest - The Chief Financial Officer university CFO and Senior Vice President and other authorized personnel shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. These investment officials shall disclose annually, in a written statement, any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. They shall refrain from undertaking personal investment transactions with the same individual(s) with whom business is conducted on behalf of the University.
3. Delegation of Authority - Authority to manage the investment program is granted to the Chief Financial Officer. CFO and Senior Vice President. The Chief Financial Officer CFO and Senior Vice President may delegate authority to the Associate Vice President Assistant Vice President University Treasurer ffor Financial Affairs (Associate Assistant Vice President"UCF Treasurer"). Additional authorized personnel include any other person or position approved by the

University's governing board. The University may seek professional advice and therefore may contract with a federally registered investment advisory firm that specializes in public funds fixed income management, and it may also seek advice and counsel from the ~~Finance and Facilities~~Budget and Finance Committee to assist with investment decisions. The ~~Finance and Facilities~~Budget and Finance Committee will approve and, from time to time as they deem necessary, amend this investment policy. No person may engage in an investment transaction except as provided under the terms of this policy. The ~~Chief Financial Officer CFO and Senior Vice President~~ shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

Broker Dealers, Safekeeping and Custody

1. Authorized Financial Dealers and Institutions – For assets not delegated to the fiduciary management of a professional third party investment organization, the University shall list financial institutions consisting of banks and other depository institutions authorized to provide depository and investment services. In addition, a list will be maintained of security broker/dealers consisting of "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule) that are providing services to the University or that the University contemplates using.
2. Delivery vs. Payment - Securities transactions between a broker-dealer and the safekeeping agent or custodian involving purchase or sale of securities by transfer of money or securities must be made on a "delivery vs. payment" basis, if applicable, to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction.
3. Safekeeping, Custody & Perfection of Interest - Securities shall be held with a third party; and all securities purchased by, and all collateral obtained by, the University should be properly designated as an asset of the University. No withdrawal of securities, in whole or in part, shall be made from safekeeping or custody, except by an authorized staff member of the University.

~~3.~~

Authorized Investments

This investment policy is authorized by the University's Board of Trustees. The following investments are authorized to be utilized in achieving the objectives of this policy. Investments not listed are prohibited. The investment portfolio must be structured in such manner as to provide sufficient safety and liquidity to pay obligations as they come due. Investment maturities should anticipate cash flow requirements.

Prior to conducting transactions as authorized by this policy, the ~~Chief Financial Officer CFO and Senior Vice President~~ shall determine the approximate maturity date based on cash-flow needs and market conditions, analyze and select one or more optimal types of investments, and competitively bid the security in question when feasible and appropriate. Except as otherwise required by law, the bid deemed to best meet the investment objectives shall be selected.

Investments shall be limited to securities selected from the following types:

1. The United States Treasury and Agency securities - Securities that are issued by the United States Treasury or those for which the full faith and credit of the United States government guarantees fully all principal and interests payments.

A. Credit Ratings

Ratings are not required for U.S. Treasury securities. Agencies backed by the full faith and credit of the United States government, such as Government National Mortgage Association (GNMA), must have at least one AAA (or its equivalent) long-term credit rating from a Nationally Recognized Statistical Rating Organization (NRSRO). The ~~Finance and Facilities~~Budget and Finance Committee may direct the University to use other ratings that may be more appropriate for the prevailing economic situation.

B. Interest Rate Risk Restrictions

The United States Treasury and Agency securities backed by the full faith and credit of the United States government. At the time of purchase, securities must have an average effective maturity no greater than seven years from the date of settlement. The forward delivery period on such securities may not exceed 60 days.

2. Government Sponsored Enterprises (GSE) - Securities issued by the Federal Farm Credit Bank, the Federal Home Loan Mortgage Corporation, the Federal Home Loan Bank, the Federal National Mortgage Association, or the Federal Agricultural Mortgage Corporation. Any other GSE shall be considered as corporate debt for the purposes of this policy and shall be authorized under the criteria set forth in section 7, Corporations.

A. Credit Ratings

Authorization of the listed GSE in section 7 is predicated upon these institutions maintaining at least one AAA (or its equivalent) long-term credit rating from a NRSRO. The ~~Finance and Facilities~~Budget and Finance Committee may direct the University to use other ratings that may be more appropriate for the prevailing economic situation.

B. Interest Rate Risk Restrictions

At the time of purchase, securities must have an average effective maturity no greater than seven years from the date of settlement. The forward delivery period on such securities may not exceed 60 days.

3. The State Board of Administration's Local Government Investment Pool (SBA), the State Treasurer's Special Purpose Investments Account (SPIA) or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act as provided in Section 163.01, Florida Statutes.

A. Credit Rating

Local Government Investment Pools - At the time of purchase, the local government investment pool must carry an A~~f~~ (or its equivalent) rating from a NRSRO (if applicable). The ~~Finance and Facilities~~Budget and Finance Committee may direct the University to use other ratings that may be more appropriate for the prevailing economic situation.

4. Money Market Mutual Funds - Shares of any money market fund that is registered as an investment company under the federal "Investment Company Act of 1940", as amended.

A. Credit Rating

At the time of purchase, money market funds must carry an A1 (or its equivalent) rating from a NRSRO. The ~~Finance and Facilities~~Budget and Finance Committee may direct the University to use other ratings that may be more appropriate for the prevailing economic situation.

B. Interest Rate Risk Restrictions

At the time of purchase, shares in the money market fund must be fully redeemable on the next business day.

5. Interest-bearing time deposits or savings accounts in Qualified Public Depositories (QPD) as defined in Section 280.02, Florida Statutes.

- A. Credit Rating or Limitations

Bank deposits for the University must comply with Section 280.16, Florida Statutes.

Such deposits in QPD's must be collateralized according to the statutory requirements.

- ~~6.~~ Repurchase Agreements - Securities referred to in section 4 or 5 and that can otherwise be purchased under this policy may be subject to a repurchase agreement. Such securities subject to this agreement must have a coupon rate that is fixed from the time of settlement until its maturity date, and must be marketable. Such securities must be delivered to the University or to a third-party custodian or third-party trustee for safekeeping on behalf of the public entity. The collateral securities of any repurchase agreement must be collateralized at no less than one hundred two percent and marked to market no less frequently than weekly. All approved institutions and dealers transacting repurchase agreements shall execute and perform as stated in the master repurchase agreement. All repurchase agreement transactions shall adhere to the requirements of the master repurchase agreement.

~~6.~~

- A. Credit Ratings

At the time of purchase the counter-party to any such agreement must carry short-term credit ratings which conform to those required by section 7.

- B. Interest Rate Risk Restrictions

For repurchase agreements, at the time of purchase such agreement must have a maturity no greater than one year from the date of settlement. The forward delivery period on such securities may not exceed 60 days.

7. Corporations - United States dollar denominated debt instruments issued by a corporation or bank which is organized and operated within the United States.

- A. Credit Ratings

At the time of purchase, all non-money market instruments must carry at least one "investment grade" (or its equivalent) long-term credit ratings from a NRSRO. For money market instruments, which comply with rule 2a7 at the time of purchase, such securities must carry at least two short-term credit ratings and no short-term credit rating may fall below A1+ from Standard & Poor's, P1 from Moody's, or F1+ from Fitch. The ~~Finance and Facilities~~Budget and Finance Committee may direct the University to use other ratings that may be more appropriate for the prevailing economic situation.

Should a security's credit rating drop below these standards after purchase, the University's authorized personnel shall act as Prudent Persons in managing the risks associated with this security, and shall timely notify the ~~Finance and Facilities~~Budget and Finance Committee of such an event.

- B. Interest Rate Risk Restrictions

At the time of purchase, such securities must have an average effective maturity no greater than seven years from the date of settlement. The forward delivery period on such securities may not exceed 60 days.

8. Other investments authorized by law or by ordinance for a county or a municipality.

9. Other investments authorized by law or by resolution for a school district or a special district.
10. Direct Support Organizations (DSO) duly authorized by the University's Board of Trustees – An agreement or memorandum of understanding must be executed prior to the placement of funds with any DSO.
11. Mutual funds, unit investment trusts or professionally managed securities or other investment vehicles specifically authorized by the ~~Finance and Facilities~~Budget and Finance Committee.

University Endowment

The preferred recipient of gifts for the University is the UCF Foundation, Inc. However, there may be special circumstances whereby a monetary gift or other asset is received by the University directly, or the University may choose to establish a quasi-endowment with funds available for such purpose from other sources. In these instances, the University may choose to enter into an agreement with the UCF Foundation, Inc. to manage the investment of a portion or all of a particular University endowment or quasi-endowment. The Foundation has several investment options. The decision as to which of the options to be utilized for University funds would be specified in a contractual document between the University and the Foundation, with specific instructions as to the authorization and manner in which receipts and disbursements would be processed. The University's assets may be pooled with Foundation assets for investment purposes, but with procedures in place for detailed accounting and reporting of the University's shares in the pool. These investments may deviate from the balance of this policy's direction to limit investments to no more than five years duration.

Risk and Diversification

The University portfolio shall be diversified to the extent practicable to control the risk of loss resulting from over concentration of assets in a specific maturity, issuer, instrument, dealer, or bank through which financial instruments are bought and sold. The diversification strategies laid out in this policy shall be reviewed and revised periodically, as deemed necessary by the ~~Chief Financial Officer CFO and Senior Vice President~~ and any revisions shall require the approval of the ~~Finance and Facilities~~Budget and Finance Committee.

Investments that vary in length to maturity will be made to correlate with the University's cash flow projections. The correlation will be made conservatively, considering the University's projected need for liquidity. Cash flow information will be used as a basis for informed decisions regarding the allocation of cash balances into categories of investments with varying maturities. The investment vehicles used in the four categories will be determined by the ~~Chief Financial Officer Vice President~~ in consultation with an investment consultant, the chair of the ~~Finance and Facilities~~Budget and Finance Committee and other appropriate University staff.

In order to ensure liquidity and diversify risk to principal, multiple depository banks, in addition to the bank(s) currently under contract with the University to provide treasury services, may be utilized to hold and invest short term cash.

Qualified Public Depositories, Investment Institutions and Dealers

The ~~Associate Vice President~~University Treasurer will maintain the current approved list of qualified public depositories (as defined in Section 280.02, Florida Statutes).

Third Party Custodial Agreements

Securities will be held with a third party; and all securities purchased by, and all collateral obtained by the University will be properly designated as an asset of the University. If a bank serves in the capacity of Investment Manager, said bank could also perform the required custodial and reporting services. No withdrawal of securities, in whole or in part, shall be made from safekeeping, except by those designated within the Investment Management and Custodial Agreement between the Custodian and the University. Securities transactions between a broker-dealer and the custodian involving purchase or sale of securities by transfer of money or securities must be made on a "delivery vs. payment" basis, if applicable, to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction.

Master Repurchase Agreement

The ~~Associate Vice President~~ University Treasurer or the Investment Manager, if applicable, will maintain a master repurchase agreement and require all approved institutions and dealers transacting repurchase agreements to adhere to the requirements of the master repurchase agreement. The master repurchase agreement is a separate document.

Bid Requirement

For assets not delegated to the fiduciary management of a professional third party investment organization, the University shall require purchases and sales to be executed in a competitive bid environment wherein at least three (3) offers or bids are requested for each security. Exceptions to this approach may be made when (1) prices for purchases or sales are compared to systems providing current market prices and deemed reasonable, (2) when the security to be purchased is unique to one institution or (3) the security has recently been issued and is trading at the same price by all financial institutions.

Internal Controls

The ~~Associate Vice President~~ University Treasurer shall establish a system of internal controls and operational procedures, which will be documented in writing. The internal controls will be reviewed by the University Audit staff and are subject to audit by the Auditor General of the State of Florida. The controls will be designed to prevent losses of public funds arising from fraud, employee error, imprudent actions by employees and misrepresentation by third parties. The internal controls and operational procedures is a separate document.

Continuing Education

The ~~Chief Financial Officer CFO and Senior Vice President, Associate Vice President~~ University Treasurer, or designee, will annually (during each calendar year) complete eight hours of continuing education in subjects or courses of study related to investment practices and products.

Reporting

1. Methods - The ~~Chief Financial Officer Vice President~~, or designee, shall or shall have prepared and provide to the ~~Finance and Facilities~~ Budget and Finance Committee an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter. An outside investment advisor or other third party may be utilized to prepare the report. The management

summary will be prepared in a manner that will allow the University to ascertain whether investment activities during the reporting period have conformed to the investment policy. This investment report shall include securities in the portfolio by class or type, book value, income earned, and market value as of the report date. Such reports shall be available to the public.

2. Compliance – If any investment held does not meet the guidelines of this policy, it shall be temporarily exempted from the requirements of the policy until appropriate disposition of the security is agreed upon with the University's investment advisory firm.

Annual Review

This policy shall be reviewed on an annual basis. Any changes or amendments to the manual, operating funds supplement or operating pool sub-sections must be approved by the ~~Finance and Facilities~~Budget and Finance Committee.

Glossary

Benchmark. A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

Bid. The price offered by a buyer of securities.

Collateral. Securities, evidence of deposit, or other property that a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

Delivery vs. Payment. Delivery versus payment is delivery of securities to a third party with an exchange of money for the securities. The transaction is not complete until both parties provide their commitments.

Diversification. Dividing investment funds among a variety of securities offering independent returns.

Direct Support Organization (DSO). An organization pursuant to Section 1004.28, Florida Statutes, as certified by the University Board of Trustees.

Federal Deposit Insurance Corporation (FDIC). A federal agency that insures bank deposits, currently up to \$250,000 per deposit.

Federal Farm Credit Bank (FFCB). The Federal Farm Credit Banks Funding Corporation issues debt securities as fiscal agent for the Farm Credit System, which is a nationwide network of borrower-owned lending institutions and service organizations specializing in agricultural and rural America. The mission of this government-sponsored enterprise is to ensure the availability of sound, dependable funding for agricultural producers, cooperatives, and certain farm related business.

Federal Home Loan Bank (FHLB). Government sponsored wholesale banks that lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district bank.

Federal Home Loan Mortgage Corporation (FHLMC). FHLMC, commonly referred to as Freddie Mac, is a government sponsored enterprise that provides liquidity to the mortgage markets, much like FNMA and FHLB.

Federal National Mortgage Association (FNMA). FNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The Corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

LIBOR. London Interbank Offer Rate.

Liquidity. A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

Market Value. The price at which a security is trading and could presumably be purchased or sold.

Master Repurchase Agreement. A written contract covering all future transactions between the parties to repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

Maturity. The date upon which the principal or stated value of an investment becomes due and payable.

Portfolio. Collection of securities held by an investor.

Prudent Person Standard. An investment standard in which investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

Qualified Public Depository. Any bank, savings bank, or savings association that is organized under the laws of the United States or the State of Florida; has its principal place of business or a branch office to receive deposits in Florida; has deposit insurance under the provisions of the Federal Deposit Insurance Act; meets the requirements of Chapter 280, Florida Statutes (Florida Security for Public Deposits Act); and has been designated by the Chief Financial Officer of the State of Florida as a qualified public depository.

Repurchase agreement (REPO). A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use REPOs extensively to finance their positions. Exception: When the Fed is said to be doing REPOs, it is lending money that is increasing bank reserves.

Safekeeping. A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

Spread. (1) The yield or price difference between the bid and offer on an issue. (2) The yield or price difference between different issues.

State Board of Administration's Local Government Investment Pool (SBA). The aggregate of all funds from political subdivisions that are placed in the custody of the State Board of Administration for investment and reinvestment.

State Treasury Special Purpose Investment Account (SPIA). The aggregate of all funds from governmental entities that are placed in the custody of the State Treasury for investment and reinvestment.

Treasury Bills. A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in one month, three months, or six months.

Yield. The rate of annual income return on an investment, expressed as a percentage.

(1) Income yield is obtained by dividing the current dollar income by the current market price for the security. (2) Net yield or yield to maturity is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

University of Central Florida Investment Policy Manual
OPERATING FUNDS SUPPLEMENT
to the
~~**University of Central Florida Investment Policy Manual**~~

This Operating Funds Supplement (Supplement) and its sub-sections are part of the University of Central Florida Investment Policy Manual and are intended only to complement the objectives and guidelines outlined therein. The purpose of this Supplement is to set forth the specific investment objectives and parameters for the management of financial assets of the University of Central Florida Operating Funds (4 internally segmented portfolios collectively referred to as the Fund). This Supplement is designed to ensure the prudent management of financial assets, the availability of operating and capital funds when needed, and to earn an investment return competitive with comparable funds and appropriate measurement benchmarks.

This document will be used to identify and convey the specific objectives and restrictions of each of the four (4) Operating Fund Pools, which shall be designated as Operating Pools I-IV in sub-sections to this Supplement. Whereas individual guidelines and objectives will be defined for each Pool, the following criteria will apply collectively to all of the Operating Pools.

I. Investment Guidelines

A. Authorized Investments

Pursuant to the investment powers of the ~~Finance and Facilities~~Budget and Finance Committee as set forth in the Florida Statutes and the delegation of authority granted by the University Board of Trustees, the ~~Finance and Facilities~~Budget and Finance Committee sets forth the following general investment guidelines and limitations for all Operating Pools where the listed security type is an allowable investment.

1. Equities

- a. Securities must be traded on a national exchange or electronic network.
- b. Not more than 5% of the Fund's assets, at the time of purchase, shall be invested in the common stock, capital stock or convertible stock of any one issuing company, nor shall the aggregate investment in any one issuing company exceed 5% of the outstanding capital stock of the company.
- c. All securities must be readily marketable.
- d. Additional criteria may be outlined in the specific Operating Pool guidelines and/or a manager's addendum.

2. Fixed Income

- a. Not more than 5% of the Fund's assets, at the time of purchase, shall be invested in bonds issued by any single corporation.
- b. All securities must be readily marketable.
- c. Additional criteria may be outlined in the specific Operating Pool guidelines and/or a manager's addendum.

3. Cash & Equivalents

- a. The money market fund(s) or short-term investment fund (STIF) options provided by the Fund's custodian.

- b. Securities must be rated in one of the two (2) highest credit quality categories for short-term securities by at least two nationally recognized rating services.
- c. The maturity of any single security shall not exceed 180 days and shall maintain a dollar-weighted average effective maturity of 90 days or less.
- d. All securities must be readily marketable.

4. Pooled Investment Funds

a. Investments made by the Fund may include pooled investment funds. For purposes of this Supplement, pooled investment funds may include, but are not limited to, mutual funds, commingled funds, exchange-traded funds, limited partnerships and private equity.

~~a.~~
~~b.~~ Pooled investment funds may be governed by separate documents which may include investments not expressly permitted in this Supplement. In the event of investment by the Fund into a pooled investment fund, the ~~Finance and Facilities~~Budget and Finance Committee will adopt the prospectus or governing policy of that pooled investment fund as the stated addendum to this Supplement.

Environmental, Social and Governance (ESG) factors may be one of many factors taken into consideration in the selection of operating fund investment.

B. Absolute Restrictions

No investments shall be permitted in:

- 1. Any investment prohibited by State or Federal Law.
- 2. Any investment not specifically allowed as part of this Supplement or its sub-sections.
- 3. Direct investment in 'Scrutinized Companies' identified in the periodic publication by the State Board of Administration ("SBA list", updated on their website www.sbafla.com/fsb/), is prohibited. Any security identified as non-compliant on or before January 1, 2010 must be divested by September 1, 2010. Securities identified after January 1, 2010, are subject to the provisions of Section II-C below. However, if divestiture of business activities is accomplished and the company is subsequently removed from the SBA list, the manager can continue to hold that security. Indirect investment in 'Scrutinized Companies' (through pooled investment funds) are governed by the provisions of Section II-E below.

II. Investment Procedures

UCF receives cash from a number of sources during the course of a fiscal year. It is primarily made up of Educational and General, Auxiliary, Contracts and Grants, Foundation funds, and other miscellaneous funds. These funds are bifurcated within the general ledger based on state statutes and other regulations and will be invested in different ways.

Education and General funds come in the form of student tuition and fee payments and state support. For purposes of this investment policy, these funds will be invested in the following manner.

1. All state support will be deposited in SPIA (Special Purpose Investment Account). Those funds come into the university on a bi-weekly basis.
2. All other Educational and General funds come into the university via deposits to the university Bank of America account, as a result of university operations with students making tuition payments, contract and grant payments, and Foundation payments.

All non-Education and General funds come into the university via deposits to the university Bank of America account.

All funds received by the university will be managed using a laddered and structured short term cash management program. This program will include time horizons based on liquidity, cash flow and programmatic needs. All investment time horizons will adhere strict rules and regulations of the state of Florida. The cash management program will take into account three investment vehicles. They are: SPIA, BNY Mellon and Bank of America.

The cash management protocols are as follows:

1. The Florida State Treasury office requires each University to maintain a floor balance within the SPIA fund. This floor balance is calculated based on the average daily holdings within the fund over previous monthly periods, and is periodically reviewed and updated by the State Treasury throughout the year.
2. The university will liquidate all SPIA holdings down to the floor minimum balance and will invest these funds within Pool I.
3. All state support that is subsequently recorded directly into SPIA when transferred from the State of Florida, will be liquidated from SPIA and reinvested in Pool I in order to maintain SPIA balances at the minimum floor amount.
4. All student tuition and fee payments, contracts and grants, Foundation reimbursements, and auxiliary revenues that come into Bank of America will be analyzed for daily liquidity to meet the university's daily cash needs, and any excess over \$5 million on any given day will be invested in Pool I.
5. Pool I will only have securities that are safe, liquid and available for immediate liquidations as further defined in the Pool I subsection of the university's investment policy.
6. On a periodic basis the university Treasurer, in coordination with university investment advisors, and individual investment pool managers, will evaluate the balances within the Pool I fund and may recommend to the University Board of Trustees a periodic rebalancing of any non-education and general funds to Pool II, Pool III and Pool IV.

IV. III. Portfolio Communications & Compliance

- A. It is the direction of the ~~Finance and Facilities~~Budget and Finance Committee that the Fund assets are held by a ~~third-party~~third-party custodian, and that all securities purchased by, and all collateral obtained by the Fund shall be properly designated as Fund assets. No withdrawal of assets, in whole or in part, shall be made from safekeeping except by an authorized member of the Board of Trustees or their designee. Securities transactions between a broker-dealer and the custodian involving purchase or sale of securities by transfer of money or securities must be made on a "delivery vs. payment" basis to insure that the custodian will have the security or money in hand at conclusion of the transaction.

- B. On a monthly basis, the custodian shall supply an accounting statement that will include a summary of all receipts and disbursements and the cost and the market value of all assets.
- C. On a quarterly basis, the Investment Managers shall provide a written report affirming compliance with the provisions outlined in this Supplement, the respective sub-section and the Investment Manager's addendum (collectively referred to as "Permitted Provisions Documents"). If an Investment Manager owns an investment that complied with Permitted Provisions Documents at the time of purchase, which subsequently exceeds the applicable limit or does not satisfy the Permitted Provisions Documents, such excess or noncompliant investments may be continued until it is economically feasible to dispose of such investment in accordance with the prudent man standard of care. However, no additional assets may be allocated to the designated investment unless authorized in writing by the ~~Finance and Facilities~~Budget and Finance Committee. Investment Managers will provide immediate written notice to the ~~Finance and Facilities~~Budget and Finance Committee of any deviation from the standards set forth in the Permitted Provisions Documents and are also required to provide an action plan outlining the investment 'hold or sell' strategy.
- D. The Investment Consultant shall evaluate and report on a quarterly basis the rate of return net of investment fees and relative performance of the Fund.
- E. The Investment Consultant, on behalf of the Fund, shall send a letter to any pooled investment fund referring the investment manager to the listing of 'Scrutinized Companies' by the State Board of Administration ('SBA list'), on their website www.sbafla.com/fsb/. This letter shall request that they consider removing such companies from the pooled investment fund or create a similar actively managed pooled investment fund devoid of such companies. If the manager creates a similar pooled investment fund, the Fund shall replace all applicable investments with investments in the newly offered pooled investment fund in an expedited timeframe consistent with prudent investing standards. Once sending the required correspondence, the Fund is not required to sell or limit additional purchases of the pooled investment fund.
- F. At least annually, the ~~Finance and Facilities~~Budget and Finance Committee shall provide the Investment Managers with projected disbursement needs of the Fund so that the investment portfolio can be structured in such a manner as to provide sufficient liquidity to pay obligations as they come due. To this end the Investment Managers should, to the extent possible, attempt to match investment maturities with known cash needs and anticipated cash-flow requirements.

III.IV. Investment Manager Responsibilities

- A. Within the guidelines and restrictions set forth herein, it is the intention of the ~~Finance and Facilities~~Budget and Finance Committee to give each Investment Manager full investment discretion with respect to assets under its management.
- B. Each Investment Manager is expected to provide any reasonable information requested by the ~~Finance and Facilities~~Budget and Finance Committee. At a minimum, each manager shall provide a quarterly report detailing their investment activity, the portfolio's current value and any changes in investment philosophy or strategy. Each Investment Manager is expected to meet with the ~~Finance and Facilities~~Budget and Finance Committee or their designated representatives periodically to review investment performance and philosophy.

- C. It will be the responsibility of each Investment Manager to review the monthly valuations provided by the Fund's custodian and to note, in writing, any significant discrepancies from the valuations provided in their own reports.
- D. When feasible and appropriate, all securities shall be competitively bid. Except as otherwise required by law, the most economically advantageous bid shall be selected. Commissions paid for purchase of securities must meet the prevailing best-execution rates. The responsibility of monitoring best price and execution of trades placed by each Investment Manager on behalf of the Fund will be governed by the Portfolio Management Agreement between the Fund and the Investment Manager.
- E. Investment Managers shall vote any and all proxies solicited in connection with securities held by the Fund. Investment Managers shall produce a written proxy voting policy statement, and shall keep records with respect to its voting decisions and submit an annual report to the ~~Finance and Facilities~~Budget and Finance Committee summarizing votes cast. Voting of proxies must be done solely in the interests of the Fund.
- F. Investment Managers must promptly provide to the ~~Finance and Facilities~~Budget and Finance Committee information about changes in the management, ownership and key personnel in a timely fashion, which is not to exceed one month from the change.
- G. Unless otherwise provided by the Fund's custodian, each Investment Manager will monitor portfolio activity to minimize uninvested cash balances.

IV.V. Criteria for Investment Manager Review

The ~~Finance and Facilities~~Budget and Finance Committee wishes to adopt standards by which judgments of the ongoing performance of an Investment Manager may be made. If, at any time, any three (3) of the following is breached, the Investment Manager may be warned of the ~~Finance and Facilities~~Budget and Finance Committee's serious concern for the Fund's continued safety and performance. If any five (5) of these are violated the consultant may recommend a manager search for that mandate.

- Four (4) consecutive quarters of relative under-performance verses the benchmark.
- Three (3) year trailing return below the top 40th percentile within the appropriate peer group and under performance verses the benchmark.
- Five (5) year trailing return below the top 40th percentile and under performance verses the benchmark.
- Three (3) year downside volatility greater than the index (greater than 100), as measured by down market capture ratio.
- Five (5) year downside volatility greater than the index (greater than 100), as measured by down market capture ratio.
- Style consistency or purity drift from the mandate.
- Management turnover in portfolio team or senior management.
- Investment process change, including varying the index or benchmark.
- Failure to adhere to the IPS or other compliance issues.
- Investigation of the firm by the Securities and Exchange Commission (SEC).

- Significant asset flows into or out of the company.
- Merger or sale of firm.
- Fee increases outside of the competitive range.
-
- Servicing issues – key personnel stop servicing the account without proper notification.
- Failure to attain a 60% vote of confidence by the ~~Finance and Facilities~~Budget and Finance Committee.

Nothing in this section shall limit or diminish the ~~Finance and Facilities~~Budget and Finance Committee's right to terminate the manager at any time for any reason.

V.VI. Review and Amendments

It is the ~~Finance and Facilities~~Budget and Finance Committee's intention to review this document at least annually and to amend it to reflect any changes in philosophy, objectives, or guidelines. In this regard, the Investment Manager's interest in consistency in these matters is recognized and will be taken into account when changes are being considered. If, at any time, the Investment Manager feels that the specific objectives defined herein cannot be met, or the guidelines constrict performance, the ~~Finance and Facilities~~Budget and Finance Committee should be notified in writing.

By signing this document, the Senior Vice President for ~~Administration and~~ Finance and Chief Financial Officer attests that this Supplement has been recommended by the Investment Consultant, reviewed by the Fund's legal counsel for compliance with applicable law, and approved by the Chairman of the ~~Finance and Facilities~~Budget and Finance Committee of the Board of Trustees.

~~University of Central Florida~~

Senior Vice President for Administration and Finance _____ Date
Chief Financial Officer

University of Central Florida Investment Policy Manual
OPERATING FUNDS SUPPLEMENT

SUB-SECTION
OPERATING POOL I
SUB-SECTION I
OPERATING POOL I SUB-SECTION
to the
Operating Funds Supplement to the University of Central Florida Investment Policy
Manual

This Sub-Section is a part of the Operating Funds Supplement to the University of Central Florida Investment Policy Manual and is intended only to complement the objectives and guidelines outlined therein. The purpose of this Sub-Section is to set forth the specific investment objectives and parameters for the management of financial assets of Operating Pool I.

Operating Pool I will be designated as cash reserves for operational expenses. In addition to compliance with the provisions of the Operating Funds Supplement to the University of Central Florida Investment Policy Manual, Operating Pool I investments must comply with the following guidelines and objectives.

I. Investment Objectives

- A. Operating Pool I should be structured to provide immediate liquidity for the University's daily operating requirements. Investments shall be made subject to the University's cash flow needs in accordance with the schedule provided by the Chief Financial Officer and approved by the Finance and Facilities Budget and Finance Committee and shall be subject to ~~any~~ revisions thereafter.
- B. Investments shall be undertaken in a manner that seeks the preservation of capital and immediate liquidity in the portfolio. The objective will be to limit credit risk and interest rate risk to a level commensurate with prudent investment practices of such short-term cash reserve portfolios.

II. Guidelines

A. Authorized Investments

Pursuant to the investment powers of the Finance and Facilities Budget and Finance Committee as set forth in the Florida Statutes and the delegation of authority granted by the University Board of Trustees, the Finance and Facilities Budget and Finance Committee sets forth the following investment guidelines and limitations.

- 1. Cash & Equivalents
- 2. Pooled investment funds
 - a. For purposes of Operating Pool I, pooled investment funds will be limited to registered 2a-7 mutual funds, CDARS, US Gov't T-Bills, MMAs CDs, TDs Repos

and other comparable cash and cash equivalents securities that satisfy Sect. 2a-7 eligibility criteria under the Investment Act of 1940, SPIA.

- b. Holdings in pooled Investment funds shall be prudently diversified based on current market conditions as well as the current level of Pool I assets. Such pooled funds should be guaranteed as to timely payment of principal and interest by the Federal Government or its Agencies. Maximum Investments shall be limited to applicable guarantee coverage amounts (if any).

III.

Target Allocations

In order to provide for a diversified and liquidity focused portfolio, the ~~Finance and Facilities~~Budget and Finance Committee will employ a number of professionally managed short-term strategies to manage and administer Operating Pool I. The Finance Committee has established the following target asset allocation for Operating Pool I.

Asset Group	Target	Range	Comparison
Cash & Equivalents	100%	N/A	90 Day US T-Bills / SPIA

IV.III. Investment Performance Objectives

The following performance measures will be used as objective criteria for evaluating the effectiveness of the Investment Managers.

A. Total Portfolio Performance

1. The performance of Operating Pool I will be measured for rolling three (3) and five (5) year periods. The performance of the portfolio will be compared to the return of the target index comprised of the 90-day U.S. Treasury Bill. In addition, the performance of the portfolio will be compared to the return of the Special Purpose Investment Account (SPIA).
2. On an absolute basis, the objective is that Operating Pool I will provide the necessary stability and liquidity to meet the University's daily operating needs.

V.IV. Review and Amendments

It is the ~~Finance and Facilities~~Budget and Finance Committee's intention to review this Sub-Section at least annually and to amend it to reflect any changes in philosophy, objectives, or guidelines. In this regard, the Investment Manager's interest in consistency in these matters is recognized and will be taken into account when changes are being considered. If, at any time, the Investment Manager feels that the specific objectives defined herein cannot be met, or the guidelines constrict performance, the ~~Finance and Facilities~~Budget and Finance Committee should be notified in writing.

By signing this document, the Senior Vice President for Administration and Finance and Chief Financial Officer attests that this Sub-Section has been recommended by the Investment Consultant, reviewed by the Fund's legal counsel for compliance with applicable law, and approved by the Chairman of the ~~Finance and Facilities~~Budget and Finance Committee of the Board of Trustees.

University of Central Florida _____

Senior Vice President for Administration and Finance _____ Date
Chief Financial Officer

Senior Vice President for Finance _____ Date

| Chief Financial Officer

University of Central Florida Investment Policy Manual
OPERATING FUNDS SUPPLEMENT

SUB-SECTION
OPERATING POOL II
II SUB-SECTION II

to the
Operating Funds Supplement to the University of Central Florida Investment Policy
Manual

This Sub-Section is a part of the Operating Funds Supplement to the University of Central Florida Investment Policy Manual and is intended only to complement the objectives and guidelines outlined therein. The purpose of this Sub-Section is to set forth the specific investment objectives and parameters for the management of financial assets of Operating Pool II.

Operating Pool II will be designated to cover the University's medium-term requirements such as debt service for the next year and any other need of its auxiliary enterprises operational and capital needs. In addition to compliance with the provisions of the Operating Funds Supplement to the University of Central Florida Investment Policy Manual, Operating Pool II investments must comply with the following guidelines and objectives.

I. Investment Objectives

- A. Operating Pool II should be structured to provide adequate liquidity and current income. Investments shall be made subject to the debt service and other auxiliary operational and capital cash flow needs of the University in accordance with the schedule provided by the Finance and Facilities Budget and Finance Committee and shall be subject to any revisions thereafter.
- B. Investments shall be undertaken in a manner that seeks the preservation of capital and adequate liquidity in the portfolio. The objective will be to limit credit risk and interest rate risk to a level commensurate with prudent investment practices of such debt service reserve portfolios.

II. Guidelines

A. Authorized Investments

Pursuant to the investment powers of the Finance and Facilities Budget and Finance Committee as set forth in the Florida Statutes and the delegation of authority granted by the University Board of Trustees, the Finance and Facilities Budget and Finance Committee sets forth the following investment guidelines and limitations.

1. Fixed Income

- a. All fixed income investments shall maintain a minimum rating of A- or higher by a major credit rating service.
- b. The weighted average quality of the fixed income portfolio shall maintain a rating of AA+ or higher.

- c. Duration of the fixed income portfolio shall not exceed the effective duration of the ICE BofAML 1-Year Treasury index by 25%.
- d. The maturity of any single security at the time of purchase shall not exceed an average effective maturity of 3 years.
- e. Operating Pool II shall maintain a dollar-weighted average effective maturity of 1 year or less.

2. Cash & Equivalents

3. Pooled investment funds

- a. For purposes of Operating Pool II, pooled investment funds may include CDARS, SPIA, mutual funds, commingled funds, and exchange-traded funds. A diversified mix of various US Gov't and municipal government issues, plus high quality corporate debt issues, particularly those securities issued by utility companies.
- b. Investments in any single pooled investment fund shall be limited to 50% of the market value of the Operating Pool II's assets.

III. Target Allocations

In order to provide for a diversified portfolio, the ~~Finance and Facilities~~Budget and Finance Committee will engage investment professionals to manage and administer Operating Pool II. Each Investment Manager retained will be responsible for the assets and allocation of their mandate only and, where applicable, will be provided an addendum to this Sub-Section with their specific performance objectives and investment evaluation criteria. The ~~Finance and Facilities~~Budget and Finance Committee has established the following target asset allocation for Operating Pool II:

Asset Group	Target	Range	Comparison
Fixed Income	75%	50% - 100%	ICE BofAML 1-year Treasury
Cash & Equivalents	25%	0%-50%	90 Day US T-Bills

The ~~Finance and Facilities~~Budget and Finance Committee will monitor the aggregate asset allocation of the portfolio and will rebalance to the target asset allocation based on market conditions. If at the end of any calendar quarter, the allocation of an asset class falls outside of its allowable range, barring extenuating circumstances such as pending cash flows or allocation levels viewed as temporary, the asset allocation will be rebalanced into the allowable range. To the extent possible, cash contributions into and withdrawals from the portfolio will be executed proportionally based on the most current market values available. The ~~Finance and Facilities~~Budget and Finance Committee does not intend to exercise short-term changes to the target allocation.

IV. Investment Performance Objectives

The following performance measures will be used as objective criteria for evaluating the effectiveness of the Investment Managers.

A. Total Portfolio Performance

1. The performance of Operating Pool II will be measured for rolling three (3) and five (5) year periods. The performance of the portfolio will be compared to the return of the target index consisting of 75% ICE BofAML 1-Year Treasury and 25% 90 Day US T-Bill index.
2. On an absolute basis, the objective is that the return of the Operating Pool II portfolio will provide liquidity and current income.

V. Review and Amendments

It is the ~~Finance and Facilities~~Budget and Finance Committee's intention to review this Sub-Section at least annually and to amend it to reflect any changes in philosophy, objectives, or guidelines. In this regard, the Investment Manager's interest in consistency in these matters is recognized and will be taken into account when changes are being considered. If, at any time, the Investment Manager feels that the specific objectives defined herein cannot be met, or the guidelines constrict performance, the ~~Finance and Facilities~~Budget and Finance Committee should be notified in writing.

By signing this document, the Senior Vice President for Administration and Finance and Chief Financial Officer attests that this Sub-Section has been recommended by the Investment Consultant, reviewed by the Fund's legal counsel for compliance with applicable law, and approved by the Chair~~man~~ of the Budget and Finance Committee of the Board of Trustees.

University of Central Florida

Senior Vice President for Administration and Finance _____ Date
Chief Financial Officer

University of Central Florida Investment Policy Manual
OPERATING FUNDS SUPPLEMENT

SUB-SECTION
OPERATING POOL III

SUB-SECTION III ~~OPERATING POOL III~~ SUB-SECTION
to the
~~Operating Funds Supplement to the University of Central Florida Investment Policy~~
~~Manual~~

This Sub-Section is a part of the Operating Funds Supplement to the University of Central Florida Investment Policy Manual and is intended only to complement the objectives and guidelines outlined therein. The purpose of this Sub-Section is to set forth the specific investment objectives and parameters for the management of financial assets of Operating Pool III.

Operating Pool III will be considered excess cash reserves that may be invested in longer term investments (up to 7 years). In addition to compliance with the provisions of the Operating Funds Supplement to the University of Central Florida Investment Policy Manual, Operating Pool III investments must comply with the following guidelines and objectives.

I. Investment Objectives

- A. Operating Pool III should be structured to provide the moderate growth and a reasonable safety of principal while generating an above benchmark total rate of return. Investments shall be made subject to the University reserve needs in accordance with the schedule provided by the ~~Finance and Facilities~~Budget and Finance Committee and shall be subject to any revisions thereafter.
- B. Investments shall be undertaken in a manner that seeks to balance the growth of the portfolio against the limited time horizon of Operating Pool III. Given the limited time horizon of Operating pool III, reasonable liquidity should be maintained as a primary objective.

II. Guidelines

A. Authorized Investments

Pursuant to the investment powers of the ~~Finance and Facilities~~Budget and Finance Committee as set forth in the Florida Statutes and the delegation of authority granted by the University Board of Trustees, the ~~Finance and Facilities~~Budget and Finance Committee sets forth the following investment guidelines and limitations.

1. Equity

- a. Investments in equity securities shall not exceed twenty percent (20%) of the market value of Operating Pool III's assets.

2. Fixed Income

- a. All fixed income investments shall maintain a minimum rating of A- or higher by a major credit rating service.

- b. The weighted average quality of the fixed income portfolio shall maintain a rating of AA- or higher.
 - c. The duration of the fixed income portfolio shall not exceed the effective duration of the ICE BofAML 1-5 Year Government/Corporate A or Better Index by 50%.
 - d. The maturity of any single security at the time of purchase shall not exceed an average effective maturity of 7 years.
- 3. Cash & Equivalents
 - 4. Pooled Investment Funds
 - a. For purposes of Operating Pool III, pooled investment funds may include mutual funds, commingled funds, and exchange-traded funds.

III. Target Allocations

In order to provide for a diversified portfolio, the ~~Finance and Facilities~~Budget and Finance Committee will engage investment professionals to manage and administer Operating Pool III. Each Investment Manager retained will be responsible for the assets and allocation of their mandate only and, where applicable, will be provided an addendum to this Sub-Section with their specific performance objectives and investment evaluation criteria. The ~~Finance and Facilities~~Budget and Finance Committee has established the following target asset allocation for Operating Pool III.

Asset Group	Target	Range	Comparison
Domestic Equity	15%	10% - 20%	S&P 500
Intermediate Fixed Income	85%	75% - 95%	ICE BofAML 1-5yr G/C A or Better
Cash & Equivalents	0%	0% - 15%	90 Day US T-Bills

The ~~Finance and Facilities~~Budget and Finance Committee will monitor the aggregate asset allocation of the portfolio, and will rebalance to the target asset allocation based on market conditions. If at the end of any calendar quarter, the allocation of an asset class falls outside of its allowable range, barring extenuating circumstances such as pending cash flows or allocation levels viewed as temporary, the asset allocation will be rebalanced into the allowable range. To the extent possible, cash contributions into and withdrawals from the portfolio will be executed proportionally based on the most current market values available. The ~~Finance and Facilities~~Budget and Finance Committee does not intend to exercise short-term changes to the target allocation.

IV. Investment Performance Objectives

The following performance measures will be used as objective criteria for evaluating the effectiveness of the Investment Managers.

A. Total Portfolio Performance

1. The performance of Operating Pool III will be measured for rolling three (3) and five (5) year periods. The performance of the portfolio will be compared to the return of the target index consisting of 15% S&P 500 and 85% ICE BofAML 1-5 Year Government/Corporate A or Better index.
2. On a relative basis, it is expected that Operating Pool III's performance will rank in the top 40th percentile of the appropriate peer universe over three (3) and five (5) year time periods.
3. On an absolute basis, the objective is that the return of Operating Pool III will provide a total return that exceeds the Consumer Price Index plus 2%.

B. Equity Performance

1. The combined equity portion of the portfolio is expected to perform at a rate at least equal to the S&P 500 index.
2. On a relative basis, the equity portfolio is expected to rank in the top 40th percentile of the appropriate peer universe over three (3) and five (5) year time periods.
3. Individual components of the equity portfolio will be compared to the specific benchmarks defined in each Investment Manager addendum.

C. Fixed Income Performance

1. The combined fixed income portion of the portfolio is expected to perform at a rate at least equal to the ICE BofAML 1-5 Year Government/Corporate A or Better index.
2. On a relative basis, the fixed income portfolio is expected to rank in the top 40th percentile of the appropriate peer universe over three (3) and five (5) year time periods.
3. Individual components of the fixed income portfolio will be compared to the specific benchmarks defined in each Investment Manager addendum.

V. Review and Amendments

It is the ~~Finance and Facilities~~Budget and Finance Committee's intention to review this Sub-Section at least annually and to amend it to reflect any changes in philosophy, objectives, or guidelines. In this regard, the Investment Manager's interest in consistency in these matters is recognized and will be taken into account when changes are being considered. If, at any time, the Investment Manager feels that the specific objectives defined herein cannot be met, or the guidelines constrict performance, the ~~Finance and Facilities~~Budget and Finance Committee should be notified in writing.

By signing this document, the Senior Vice President for ~~Administration and~~ Finance and Chief Financial Officer attests that this Sub-Section has been recommended by the Investment Consultant, reviewed by the Fund's legal counsel for compliance with applicable law, and approved by the Chairman of the Budget and Finance Committee of the Board of Trustees.

University of Central Florida

Senior Vice President for Administration and Finance _____ Date
Chief Financial Officer _____

University of Central Florida Investment Policy Manual
OPERATING FUNDS SUPPLEMENT

SUB-SECTION
OPERATING POOL IV

~~SUB-SECTION IV~~~~OPERATING POOL IV~~~~SUB-SECTION~~
~~to the~~
~~Operating Funds Supplement to the University of Central~~
~~Florida Investment Policy Manual~~

This Sub-Section is a part of the Operating Funds Supplement to the University of Central Florida Investment Policy Manual and is intended only to complement the objectives and guidelines outlined therein. The purpose of this Sub-Section is to set forth the specific investment objectives and parameters for the management of financial assets of Operating Pool IV.

Operating Pool IV will be designated for long term investments. In addition to compliance with the provisions of the Operating Funds Supplement to the University of Central Florida Investment Policy Manual, Operating Pool IV investments must comply with the following guidelines and objectives.

I. Investment Objectives

- A. Operating Pool IV should be structured to maximize the long-term growth of the portfolio while generating an above benchmark total rate of return.
- B. Investments shall be undertaken in a manner that seeks to create a diversified portfolio of long-term assets without consideration for current income or pending expenditure. While reasonable liquidity should be maintained, it will be considered a secondary objective.

II. Guidelines

A. Authorized Investments

Pursuant to the investment powers of the ~~Finance and Facilities~~Budget and Finance Committee as set forth in the Florida Statutes and the delegation of authority granted by the University Board of Trustees, sets forth the following investment guidelines and limitations.

1. Equity

- a. Collective investment in equity and equivalent securities (domestic and international) shall not exceed sixty-five percent (75%) of the market value of Operating Pool IV's assets.
- b. Foreign securities shall not exceed twenty percent (20%) of the market value of Operating Pool IV's assets.

2. Fixed Income

- a. All fixed income investments shall maintain a minimum rating of “~~single-A investment grade~~” “investment grade” or higher by a major credit rating service.
- b. The weighted average quality of the fixed income portfolio shall maintain a rating of “A” or higher.
- c. Duration of the fixed income portfolio shall not exceed the effective duration of the Bloomberg ~~Barclays-Intermediate~~ Aggregate Bond index by 50%.

3. Cash & Equivalents

4. Pooled Funds

- a. For purposes of Operating Pool IV, pooled investment funds may include mutual funds, commingled funds, and exchange-traded funds, limited partnerships and private equity.

III. Target Allocations

In order to provide for a diversified portfolio, the ~~Finance and Facilities~~Budget and Finance Committee will engage investment professionals to manage and administer Operating Pool IV. Each Investment Manager retained will be responsible for the assets and allocation of their mandate only and may be provided an addendum to this Sub-Section with their specific performance objectives and investment evaluation criteria. The ~~Finance and Facilities~~Budget and Finance Committee has established the following asset allocation targets for the total fund:

Asset Group	Target	Range	Comparison
Domestic Equity	45 <u>50</u> %	40 <u>45</u> % - 50 <u>55</u> %	S&P 500
International Equity	45 <u>10</u> %	40 <u>5</u> % - 20 <u>15</u> %	MSCI-ACWxUS
Alternative Assets*	5%	0% - 10%	TBD
<i>Total Equity & Equivalents</i>	65%	55% - 75%	
Broad Market Fixed Income	30%	25% - 35%	Bloomberg Barclays -Capital <u>Intermediate</u> Aggregate
TIPS*	5%	0% - 10%	Bloomberg Barclays -TIPS
<i>Total Fixed Income</i>	35%	30% - 40%	
Cash & Equivalents	0%	0% - 5%	90 Day US T-Bills

*Benchmark will default to domestic equity and ~~broad-market~~ fixed income, respectively, if these portfolios are not funded. Targets and ranges above are based on market value of total Operating Pool IV assets.

The ~~Finance and Facilities~~Budget and Finance Committee will monitor the aggregate asset allocation of the portfolio, and will rebalance to the target asset allocation based on market conditions. If at the end of any calendar quarter, the allocation of an asset class falls outside of its allowable range, barring extenuating circumstances such as pending cash flows or

allocation levels viewed as temporary, the asset allocation will be rebalanced into the allowable range. To the extent possible, contributions and withdrawals from the portfolio will be executed proportionally based on the most current market values available. The ~~Finance and Facilities~~Budget and Finance Committee does not intend to exercise short-term changes to the target allocation.

IV. Investment Performance Objectives

The following performance measures will be used as objective criteria for evaluating the effectiveness of the Investment Managers.

A. Total Portfolio Performance

1. The performance of Operating Pool IV will be measured for rolling three (3) and five (5) year periods. The performance of the portfolio will be compared to the return of the target index comprised of ~~4550%~~ S&P 500, ~~4510%~~ MSCI-All Country World excluding U.S., 5% Alternative Assets, 30% Bloomberg ~~Barclays~~Intermediate Aggregate Bond and 5% Bloomberg ~~Barclays~~ TIPS Index.
2. On a relative basis, it is expected that Operating Pool IV's performance will rank in the top 40th percentile of the appropriate peer universe over three (3) and five (5) year time periods.
3. On an absolute basis, the objective is that the return of Operating Pool IV will provide a total return that exceeds the Consumer Price Index ~~plus 4.5%~~.

B. Equity Performance

1. The combined equity portion of the portfolio is expected to perform at a rate at least equal to a combined target index consisting of ~~7083%~~ S&P 500, ~~2317%~~ MSCI All Country World ~~excluding U.S. Index and 7% Alternative Investments~~.
2. On a relative basis, the equity portfolio is expected to rank in the top 40th percentile of the appropriate peer universe over three (3) and five (5) year time periods.
3. Individual components of the equity portfolio will be compared to the specific benchmarks defined in each Investment Manager addendum.

C. Fixed Income Performance

1. The combined fixed income portion of the portfolio is expected to perform at a rate at least equal to a combined target index consisting of 85% ~~Bloomberg Barclays Capital~~ U.S. ~~Intermediate~~ Aggregate Bond and 15% ~~Bloomberg Barclays~~ TIPS index.
2. On a relative basis, the fixed income portfolio is expected to rank in the top 40th percentile of the appropriate peer universe over three (3) and five (5) year time periods.

D. Alternative and Other Asset Performance

1. The overall objective of the alternative and/or “other asset” portion of the portfolio, if utilized, is to reduce the overall volatility of the portfolio and enhance returns. This portion of the fund will be benchmarked as outlined in the Investment Manager addendum.

V. Review and Amendments

It is the ~~Finance and Facilities~~Budget and Finance Committee’s intention to review this Sub-Section at least annually and to amend it to reflect any changes in philosophy, objectives, or guidelines. In this regard, the Investment Manager's interest in consistency in these matters is recognized and will be taken into account when changes are being considered. If, at any time, the Investment Manager feels that the specific objectives defined herein cannot be met, or the guidelines constrict performance, the ~~Finance and Facilities~~Budget and Finance Committee should be notified in writing.

By signing this document, the Senior Vice President for Administration and Finance and Chief Financial Officer attests that this Sub-Section has been recommended by the Investment Consultant, reviewed by the Fund’s legal counsel for compliance with applicable law, and approved by the Chairman of the ~~Finance and Facilities~~Budget and Finance Committee of the Board of Trustees.

University of Central Florida

Senior Vice President for Administration and Finance _____ Date
Chief Financial Officer

History: New 7-16-2008; Revised 7-23-2015, 6-17-2020
Authority: Sections 1011.42(5) and 218.415, Florida Statutes



Board of Trustees
November 17, 2022

GOV-2: Amended and Restated Bylaws of the UCF Foundation, Inc.

☐ Information

☐ Discussion

☒ Action

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

UCF Regulation 4.034(3)(c) requires amendments to the bylaws of a UCF Direct Support Organization (DSO) to be approved by the UCF Board of Trustees (BOT). The bylaws for the UCF Foundation, Inc. were revised and adopted by its board. This was done to follow the Governance and Management Recommendations resulting from the BOT's DSO Governance Project Report to improve DSO operational effectiveness and efficiency.

Background Information:

UCF DSOs are created exclusively to benefit the university and are overseen by the UCF Board of Trustees, the UCF President, and the UCF Vice presidents who serve as chief executive officers of the DSOs. In December 2019, the Board of Trustees, through Chair Beverly Seay, initiated a DSO Project to review all the UCF DSOs to ensure best practices and improve efficiencies among UCF's DSOs. Following a thorough review of DSO governance and management, one that looked to establish best practices, on April 22, 2021, the Board of Trustees approved DSO Governance Recommendations. To implement these recommendations as they relate to DSO Bylaws, the DSO Board Office worked with the Office of the General Counsel to develop a bylaws template to be tailored by each DSO to its operations. The goal of such a template is to create coherence across the DSO Bylaws, which currently vary in areas where consistency is needed to align DSO Board operations.

Five DSOs' amended Bylaws were approved during the May 26, 2022 meeting cycle and two additional DSOs were approved during the October 20, 2022 meeting cycle. The last two related entities to amend their bylaws are the UCF Foundation, Inc. and the Central Florida Clinical Practice Organization, Inc., which are being presented during this November meeting cycle. Assuming approval of these amendments, the comprehensive update to create coherence across the DSOs' Bylaws will be complete.

The attached amended and restated bylaws for the UCF Foundation, Inc. were reviewed and approved by their board at their October 21, 2022, meeting.

Recommended Action:

Approve the amended and restated bylaws for the University of Central Florida Foundation, Inc.

Alternatives to Decision:

Decline to approve the proposed bylaws amendments. Recommend modifications to be considered by the respective DSO Board.

**Fiscal Impact and Source of Funding:**

N/A

Authority for Board of Trustees Action:

Florida Statutes Section 1004.28

Florida Board of Governors Regulation 9.011

University Regulation UCF-4.034

Contract Reviewed/Approved by General Counsel ☐ N/A ☒

Committee Chair or Chair of the Board has approved adding this item to the agenda ☒

Submitted by:

Youndy Cook, Vice President and General Counsel

Supporting Documentation:

Attachment A: Summary DSO Bylaws Changes

Attachment B: Amended and Restated Bylaws of the UCF Foundation, Inc.

Facilitators/Presenters:

Youndy Cook

SUMMARY OF BYLAWS CHANGES

The following is a highlight of substantive changes in the bylaws:

Board Composition

- BOT Chair will appoint a Trustee representative; previously language noted the representative would be the BOT Chair
- Alumni Board Chair may name a designee to serve in their stead on the Board
- Change of terminology from Ex Officio Director to Designated Director to reflect that these individuals may be designees

Board versus Corporate Officers

- Clear delineation between Board Officers (such as the Board Chair and Vice Chair) and Corporate Officers (such as the CEO and CFO)

Board Meetings

- Notice of meetings to occur a minimum of (3) business days prior to the scheduled meeting date
- Inclusion of language regarding public comment at Board meetings

Committees

- Removal of the Alumni Board Treasurer as a member of the Finance & Facilities Committee

Amendments

- Prior Bylaws could be amended by majority vote; new Bylaws require 2/3 vote

Other

- Removal of language prescribing the process for the resignation of the UCF Foundation CEO, as it is not necessary
- Inclusion of amendment history going forward
- Added a provision on ethics and financial disclosures

**AMENDED & RESTATED BYLAWS OF THE
UNIVERSITY OF CENTRAL FLORIDA FOUNDATION, INCORPORATED**

**ARTICLE I.
MEMBERS, PURPOSE, MISSION AND OFFICE**

The purposes for which the University of Central Foundation, Incorporated (Foundation) is organized are as follows:

To encourage, support, and enhance the University of Central Florida (University), a comprehensive learning institution in higher education, in its mission as determined by the University of Central Florida Board of Trustees (BOT), including the ability to encourage, solicit, receive, and administer private support for the benefit of the University and its related entities create awareness of the University and its mission, build relationships, recognize support, own property, borrow such sums of money necessary upon approval by the BOT, and perform all business related matters necessary to accomplish this purpose which a corporation not for profit organized under the laws of Florida for the foregoing purposes can be authorized to exercise or as may be further delegated by the Bylaws.

All of the assets and income of the Foundation shall be used only for the purposes here in above set out, including the payment of expenses incidental thereto; and no part of its assets or income shall be distributable to its members, trustees, or officers, and no substantial part of its activities shall be for the carrying on of propaganda or otherwise attempting to influence legislation, and the Foundation shall not participate in or intervene in any political campaign on behalf of any candidate for public office.

The principal office of the Foundation will be located at 12424 Research Parkway, Orlando, Orange County, Florida.

**ARTICLE II.
BOARD OF DIRECTORS**

Section 1. Composition. The Foundation Board of Directors (Board of Directors) will consist of:

- A. Elected Directors. There will be no more than thirty-eight (38) Elected Directors. The BOT will approve all elected director appointments to the Board of Directors.
- B. Designated Directors of the Board of Directors shall be as follows: the UCF Alumni Board Chair, or a designee from within the Alumni Board membership; the University of Central Florida President, or a designee; and a Board of Trustees representative appointed by the BOT Chair.
- C. Emeritus Directors. Any Elected Director who has served two full terms may be nominated and appointed as an Emeritus Director following a six-month period beginning at the conclusion of the second term. The Governance Committee will nominate Elected Directors who have served the University and Foundation with distinguished service. The Board will serve as the final body to approve the nomination(s). Emeritus Directors will be non-voting.
- D. Additional representatives appointed by the University President.

Section 2. Term of Office.

- A. Elected Directors will serve a term of four years (or until the end of the respective term of their predecessor if elected to succeed a person who has not completed a four-year term). Terms will begin on the date of appointment and end June 30 (or July 1 through June 30, whichever applies). No Elected Director is eligible to serve more than two consecutive terms unless the Director has been elected to serve as a Board Officer, in which case the term may be extended by the Board to accommodate the time required for fulfillment of the term of the office. An Elected Director who has served two terms consecutively may be re-elected to the Board of Directors after the expiration of one year following the end of their last term and will have the status of a newly Elected Director.
- B. Designated Directors will serve so long as they (or the individual who designated them) hold the office or the position that resulted in such placement on the Board of Directors.
- C. Emeritus Directors serve for life unless they are removed for cause.

Section 3. Vacancies. Whenever any vacancy occurs in the Board of Directors by death, resignation, or otherwise, it will be filled without undue delay. Any person elected or designated to fill a vacancy in the Board of Directors will hold office for the unexpired term of his or her predecessor in office. Three years of a term will constitute a full term of service.

Section 4. Removal. An Elected Director or Emeritus Director may be removed by a two-thirds vote of the Directors present and voting, whenever the interests of the Foundation would be best served. The University President may remove any Elected Director or Emeritus Director at their sole discretion.

Section 5. Resignation. A Director may resign at any time by submitting a written resignation to the Chair. If the Chair is resigning, they will submit their resignation to the CEO and University President.

Section 6. Powers and Duties. So long as certified by the Board of Trustees, the property, affairs, activities, and concerns of the Foundation are vested in the Board of Directors subject to the Articles of Incorporation, Bylaws, applicable laws, guidelines, policies and regulations. All management functions will be exercised by the Board of Directors subject to its delegation. The powers and duties of the Board of Directors are as follows:

- A. To discharge faithfully all the duties imposed upon it by the Articles of Incorporation and by law.
- B. To meet upon the call of the Chair, Vice Chair, the CEO, or by one-fourth of the Directors entitled to vote, in writing, with due written notice of the time, place and subject matter given to each Director and consistent with the requirements of these Bylaws.
- C. Upon the recommendation of the Finance and Facilities Committee, select a bank or banks or other depositories for the deposit of the funds and securities of the Foundation, and to cause the Foundation to conduct its financial affairs in conformity with the policies and procedures adopted by the Board of Directors.
- D. Upon the recommendation of the Audit Committee, to cause an audit of books and records of this Foundation to be made at least once each fiscal year together with a management letter, including the response from management, conducted by a firm of independent Certified Public Accountants

selected in accordance with University Policy 2-208, whose engagement letter will provide that it render an opinion on the financial statements in accordance with generally accepted accounting principles and to have the results of the audit reported to and accepted by the Board of Directors.

- E. Upon the recommendation of the Investment Committee, to hold and to invest and reinvest any monies it receives and to hold any property, to sell or exchange the same, and to invest and reinvest the proceeds of any sale or other conversion of any such property, for the purpose of earning income, which income, less operating expenses of the Foundation, will be used to further the specific purposes of the Foundation.
- F. To authorize the CEO, other Officers, and the Foundation's senior management to take action(s) as directed by the Board of Directors.
- G. To borrow money by issuing long or short-term notes, bonds, or debentures and to pledge, mortgage, or otherwise encumber its assets within the discretion of the Board of Directors, subject to the policies of the University, BOT, and the Florida Board of Governors.
- H. To annually approve the Foundation's operating and real estate budgets as well as any material changes to the budget, and then submit the budget to the BOT for approval.
- I. To annually submit to the University of Central Florida Board of Trustees and the Board of Governors its federal Internal Revenue Service Return of Organization Exempt from Income Tax filing (Form 990).
- J. To participate in Board meetings and serve on at least one Committee or University affiliated group as approved by the Chair.
- K. To acquire and maintain a broad awareness and knowledge of the University including its programs, strengths, needs, resources, and mission.
- L. To provide advice and counsel to the University President and the CEO as requested on matters involving the University family and the community.
- M. To support the philanthropic aims of the Foundation with a minimum annual gift in an amount set by the Board of Directors. The annual gift should only mark the beginning of the Directors' support, and they are encouraged, as appropriate, to support other funds supplemental to the University, to make leadership gifts to special projects, and to make provisions for planned giving and support the University through their foundations and Foundations.
- N. To serve as an effective University ambassador in the community.

Section 7. Meetings of the Board. The Chair will preside at meetings of the Board of Directors. In the absence of the Board Chair, a Vice Chair will preside.

- A. Regular meetings of the Board of Directors will be held as determined by the Board of Directors. Written notice of the time and place of the annual meeting and regular meetings will be provided to each director, by personal delivery, first class mail, electronic mail or board portal notice, at least three (3) business days before the meeting.

- B. Special meetings of the Board of Directors may be called by the Chair, Vice Chair, CEO, or upon the written request of two (2) members of the Board of Directors. At least three (3) business days prior written notice of any special meeting will be provided to all members of the Board of Directors by personal delivery, first class mail, electronic mail or board portal notice.
- C. Proxies, general or special, will not be accepted for any purpose in the meetings of the Board of Directors.
- D. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 8. Public Notice. Public notice of any meeting of the Board of Directors or any Committee will be made as required by Florida law.

Section 9. Public Comment. To the extent required by law or permitted by the Chair, individuals who desire to appear before the Board of Directors regarding an item being considered must submit their requests in writing to the address or email address noted in the posted notice for the meeting a minimum of 24-hours in advance, specifying the agenda item about which they wish to speak. Public comment will be limited to three minutes per person.

Section 10. Quorum and Voting. A majority of the Board of Directors will constitute a quorum for the transaction of business. The act of a majority of the directors present at a meeting at which a quorum is present will be the act of the Board of Directors unless a greater number is required by these bylaws or by law.

Section 11. Participation by Electronic Means. Members of the Board of Directors may participate in a meeting by conference, telephone, or similar communications means provided all persons participating in the meeting are able to communicate with each other.

Section 12. Officers of the Board. The Board of Directors shall have the following officers: Chair, (2) Vice Chairs, Treasurer, and a Secretary.

- A. **Chair of the Board.** The Chair will be elected by the Board of Directors and must be a member of the Board of Directors. The Chair will:
 - 1. Preside at the meetings of the Board of Directors. The Chair or designee will prepare the agenda for all meetings of the Board of Directors.
 - 2. Sign all certificates, bonds, deeds, mortgages, leases, and contracts of the Foundation except as otherwise approved by the Board of Directors.
 - 3. Perform all duties as the Board of Directors will designate and may delegate certain duties with the Board of Directors' approval.
 - 4. Perform other duties as are necessarily incident to the office of the Chair.
- B. **Vice Chairs.** The Vice Chairs will be elected by the Board of Directors to serve as its Vice Chairs and must be members of the Board of Directors. In the Chair's absence or incapacity and perform such duties as are assigned by the Chair, one of the Vice Chairs will assume the Chair's duties.
- C. **Secretary.** The Secretary of the Board is responsible for the minutes of the Board and Executive Committee meetings. The Chair of each Committee is responsible for the minutes

of each of their respective committee meetings. The duties of the Secretary will be as follows:

1. To keep accurate minutes of the proceedings of the annual meeting of the Foundation and all meetings of the Board of Directors and preserve these records as a permanent record.
2. To keep on record a copy of the Articles of Incorporation and Bylaws of the Foundation and all amendments thereto.
3. To address the requests for any seal of the Foundation for official documents, records and papers as may be requested. A seal is not required.
4. To keep an accurate list of all members of this Foundation Board of Directors.

D. Treasurer. The Treasurer will supervise the fiscal affairs of the Foundation and serve as Chair of the Finance Committee. The duties of the Treasurer will be as follows:

1. To assure that adequate provision is made for the care and custody of all the assets of this Foundation with guidance from the CFO.
2. To assure that adequate provision is made to keep in force a blanket surety bond to assure that each Officer and employee who is authorized to collect, hold, or disburse funds of the Foundation will faithfully discharge their duties, the adequacy of which will be determined by the Executive Committee.
3. To present a written report of the financial activities of their office at the next annual meeting following their appointment to office.

E. Term of Board Officers. Officers of the Board will serve for two years or until their successor is duly elected. Any such selected or elected Board officer may serve successive terms.

F. Removal. The Board of Directors may remove any Board Officer at any time upon a two-thirds vote of the directors, whenever the best interests of the Foundation would be served.

G. Vacancies. In the event of absence, inability or refusal to act of the Chair the Board of Directors will elect a new Chair no later than its next regular meeting. In the event of absence, inability or refusal to act of a Vice Chair the Board of Directors will elect a new Vice Chair no later than its next regular meeting.

ARTICLE III. OFFICERS OF THE CORPORATION

Section 1. Ex Officio Corporate Officers. Individuals holding the following positions at the Foundation will serve as Ex Officio Corporate Officers, but will not be members of the Board of Directors and will have no voting rights.

- A. Chief Executive Officer (CEO) appointed by the University President;
- B. Chief Development Officer (CDO), who will be appointed by the CEO;
- C. Chief Operating Officer (COO), who will be appointed by the CEO;
- D. Chief Financial Officer (CFO), who will be appointed by the CEO;
- E. Director of Foundation Board Relations and Development, who will be appointed by the CEO.

Section 2. Additional Corporate Officers. University President may appoint any members of the administration, faculty, or student body of the University for any term(s) designated by the President, but any such appointee will not be a member of the Board of Directors.

Section 3. Term of Corporate Officers. Ex Officio Corporate Officers will serve so long as they hold the identified office or the position. The term of office for Additional Corporate Officers will commence when designated or appointed and continue for three years or until their successor is duly designated or appointed. Any such designated or appointed officer may serve successive terms.

Section 4. Duties of Corporate Officers. The duties and powers of the officers of the corporation will be as follows:

- A. CEO. The CEO, or designee, will attend all meetings of the Board of Directors and present a written report of the activities of their office at each meeting, including the next annual meeting following their appointment to office. The CEO shall report to the University President or their designee.
- B. CDO. The CDO will perform the duties of the CEO during the absence or incapacity of the CEO.
- C. COO. The COO will manage the day-to-day business activities of the Foundation.
- D. CFO. The CFO will oversee the fiscal affairs of the Foundation. The duties of the CEO include assuring that adequate provision is made for the care and custody of all the assets of the Foundation.
- E. Director of Foundation Board Relations and Development. The Director of Foundation Board Relations and Development will assist in the documentation and safekeeping of accurate minutes of the proceedings of all meetings of the Board of Directors and maintain a record of the actions of the Board and committees. The Director of Foundation Board Relations and Development will maintain a copy of the Articles of Incorporation and Bylaws of the Foundation and all amendments.

Section 5. Removal. The University President and CEO may remove any Corporate Officer at their sole discretion.

Section 6. Vacancies. In the event of absence, inability, or refusal to act of any of the ex officio corporate officers, appointed, or designated officers of the corporation, the CEO, except as otherwise provided for in these Bylaws and subject to University Regulation 4.034, will appoint a successor or successors to perform the duties of their respective offices.

ARTICLE IV. COMMITTEES

Section 1. Standing Committees. The Chair of the Board of Directors may, at any time, appoint and charge the committees necessary and advisable to assist in the conduct of the Foundation's affairs. The Board Chair will appoint the Chair and the members of each committee, except for those committees whose Chair is specifically appointed in the bylaws.

A. Executive Committee.

1. The Executive Committee consists of the following: the Chair, Vice Chairs, Secretary, Treasurer, immediate past Chair, University President or designee, Chair of the Board of Trustees or designee, Chair of the UCF Alumni Board of Directors or designee, and Chair of all other committees described in these Bylaws.
2. The Chair, or in their absence one of the Vice Chairs, will preside at meetings of the Executive Committee.
3. The Executive Committee is authorized and empowered to act for, in the name of and on behalf of the Board of Directors at all times when the Board of Directors is not meeting. No action of any standing committee will be binding upon the Foundation unless such action is approved by the Executive Committee or Board of Directors.
4. The Executive Committee will meet at the call of the Chair.

B. Audit Committee.

1. The Audit Committee will consist of a minimum of not fewer than three appointed Elected Directors.
2. The Audit Committee is charged with hiring the auditors and reviewing the results of the audit. The committee evaluates other accounting related policies and controls.

C. Donor Engagement and Stewardship Committee.

1. The Donor Engagement and Stewardship Committee will consist of not fewer than three appointed Elected Directors. The Philanthropy Chair of the UCF Alumni Board will serve as an ex-officio voting member.
2. The Donor Engagement and Stewardship Committee will advise the Board of Directors in matters dealing with Donor stewardship strategies, including but not limited to donor recognition, reporting and other experiences.

D. Finance and Facilities Committee.

1. The Finance and Facilities Committee consists of not fewer than five appointed Elected Directors.
2. The Chair of the Finance and Facilities Committee will be the Treasurer.
3. The Finance and Facilities Committee will establish and be responsible for the fiscal policy of the Foundation, including budgets and fees. The Finance and Facilities Committee will recommend the budget for the next fiscal year to the Board of Directors at its annual meeting held prior to the end of the current fiscal year.
4. The Finance and Facilities Committee advises the Board of Directors and the University of Central Florida Real Estate Corporation, LLC and Knight's Crossing Student Housing, LLC in regard to real estate policies, procedures, potential transactions and other real estate issues affecting the Foundation.

E. Governance Committee.

1. The Governance Committee consists of not fewer than five appointed Elected Directors and will include the immediate past Chair, Chair, Vice Chair(s) and a minimum of one appointed Elected Director.
2. The CEO will also participate as an Ex Officio Corporate Officer of the Governance Committee.
3. The immediate past Chair of the Board of Directors will serve as the Chair of the Governance Committee. If the past Chair is unable to serve, the current Chair of the Board of Directors will appoint the Chair of the Committee.
4. The Governance Committee is charged with the responsibility of annually receiving and

placing in nomination the names of individuals to be considered for membership to the Board, preparing a slate of Board Officers every two years or upon the vacancy of a Board Officer, and succession planning. The committee is also charged with annually reviewing the Foundation's bylaws, memberships, committee assignments, and leading a board self-assessment process. The Governance Committee is also responsible for receiving disclosures of proposed transactions with Directors, including potential excess benefit transactions, and reviewing such transactions.

F. Investment Committee.

1. The Investment Committee will consist of not fewer than five appointed Elected Directors.
2. The Investment Committee will advise the Board of Directors in regard to the general investment policy and investment management of the Foundation.

G. Other Committees.

1. The Chair of the Board of Directors will have the authority to establish an unlimited number of temporary Other Committees or task forces to accomplish any objectives affecting various interests and the welfare of the Foundation and the University as they deem necessary or desirable. Other Committees will be governed by a charter approved by the applicable Other Committees.

Section 2. Membership. Although committees may include individuals who are not Elected Directors (Advisors), committees will include a majority of Elected Directors and will be chaired by an Elected Director appointed by the Chair of the Board of Directors or specified by these bylaws. Committee member appointments will be for defined terms, and committee members may be removed at any time, with or without cause, by the Chair of the Board of Directors. A majority of any committee of the Board of Directors will constitute a quorum for the transaction of business.

- A. With the exception of the Executive Committee, individuals who are not Elected or Designated Directors but have expertise in given areas may serve as Advisors and vote on committees of the Board, with the approval of the Chair and in consultation with the relevant committee Chair. Advisors may vote on the committee's recommendations to the Executive Committee or Board. Advisors will serve a committee term of four years. Committee terms commence on July 1 of the next fiscal year and end June 30 at the end of four years. No Advisor is eligible to serve more than two consecutive terms on any standing committee. An Advisor who has served two committee terms consecutively may be appointed to an alternate standing committee upon committee term completion or re-appointed to the standing committee for which they most recently served after the expiration of one year following the end of their last committee term and will have the status of a newly appointed Advisor.
- B. With the exception of the Executive Committee, Emeritus Directors may be appointed to committees as Emeritus Advisors. Emeritus Advisors may vote on committee recommendations to the Executive Committee or Board of Directors. Emeritus Advisors will serve a committee term of four years. Committee terms commence on July 1 of the next fiscal year and end June 30 at the end of four years. No Emeritus Advisor is eligible to serve more than two consecutive terms on any standing committee. An Emeritus Advisor who has served two committee terms consecutively may be appointed to an alternate standing committee upon committee term completion or re-appointed to the standing committee for which they most recently served after the expiration of one year following the end of their last committee term and will have the status of a newly appointed Emeritus Advisor.

Section 3. Powers and Duties. Standing Committees will be governed by a charter that is approved by the Board of Directors. The Board of Directors must approve any revocations or amendments to the committee charter(s). With the exception of the Executive Committee, no action of any standing committee shall be binding upon the Foundation unless such action is approved by the Executive Committee or Board of Directors.

ARTICLE V. DIRECT SUPPORT ORGANIZATIONS

Section 1. Governing Authority. The Foundation operates as a Direct Support Organization (DSO) for the University of Central Florida as defined by Florida statute. DSOs are certified by the University of Central Florida Board of Trustees and follow Florida law, the policies and procedures established by the State University System of Florida, the University of Central Florida and the Board of Trustees.

Section 2. Fiscal Year. The fiscal year of the Foundation will begin on July 1 and end on June 30 of the following year.

ARTICLE VI. NONDISCRIMINATION

The Foundation is committed to non-discrimination with respect to race, color, religion, age, disability, sex, marital status, national origin, veteran status or any other basis protected by law.

ARTICLE VII. AMENDMENTS

These Bylaws may be made, altered, or rescinded by a two-thirds (2/3) vote of members of the Board of Directors present at any regular or special meeting at which a quorum is present. All amendments must be submitted to the University of Central Florida Board of Trustees in accordance with University Regulation prior to becoming effective.

ARTICLE VIII. OPERATIONAL PROVISIONS

Section 1. Contracts. Contracts for the activities of this Foundation will be signed in the name of the Foundation by the Chair of the Board of Directors except as otherwise delegated.

Section 2. Financial Audits and Reports. The Foundation will annually have a financial audit of its accounts and records conducted by an independent certified public accountant selected in accordance with University Policy 2-208. The audit will be performed in accordance with the applicable rules adopted by the Auditor General and by the BOT, which will be forwarded to the BOT for review and to the Board of Governors and Auditor General.

Section 3. Compensation and Employment. The directors and officers of this Foundation, except those otherwise employed by the Foundation or UCF, will not receive any compensation from this Foundation for their services as director or officer.

- A. Directors, officers, and employees of this Foundation may be reimbursed from funds of the Foundation for any travel expenses or other expenditures incurred by them in the proper performance of their duties, provided the reimbursements or expenditures comply with Florida Statutes Sections 1004.28 and 1012.976.
- B. Personnel employed by this Foundation will not be considered employees of the State of Florida by virtue of employment by this Foundation.
- C. The Foundation will provide equal employment opportunities for all persons regardless of race, color, religion, sex, age, or national origin. Personal services provided to the organization must comply with Section 1012.976, Florida Statutes.

Section 4. Travel Expenses. The Foundation will not use state funds for travel expenses.

Section 5. Indemnification. Pursuant to Sections 607.0850 and 617.0831, Florida Statutes, any person who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed action, suit, or proceeding whether civil, criminal, administrative, or investigative (other than an action by, or in the right of, the Foundation, by reason of the fact that he or she is or was a Director or Officer of the corporation) shall be indemnified against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit, or proceeding, including any appeal thereof, but only if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interest of the Foundation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The Foundation shall have the authority to purchase insurance for this purpose.

Authorization of Indemnification. Any indemnification hereunder shall be made by the Foundation only upon a determination that indemnification of the Director or Officer is proper in a specific case because he or she has met the standard of conduct set forth in the previous paragraph of this Section 5. Such determination shall be made by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding or, if such quorum is not obtainable, by a majority vote of a committee duly designated by the Board of Directors (in which Directors who are parties may participate) consisting solely of two (2) or more Directors not at the time parties to the action, suit or proceeding or by a committee comprised of individuals who were not parties to such action, suit or proceeding where such committee is selected by a majority vote of the full Board of Directors (in which Directors who are parties may participate).

Section 6. Ethics and Financial Disclosure. It is the duty of each Director and Officer to fully comply with the Government-in-the-Sunshine Law set forth in Section 286, et seq., Florida Statutes, the Public Records Law set forth in Section 119, et seq., Florida Statutes, and to the extent it applies, the Code of Ethics for Public Officers and Employees set forth in Chapter 112, Part III, Florida Statutes.

Section 7. Insurance. The Board of Directors will keep in force a blanket surety bond, or directors and officers liability insurance, or other general liability insurance, the adequacy of which will be determined by the Board of Directors, or a Committee designated by the Board of Directors, to assure that each Officer and employee who is authorized to collect, hold, or disburse funds of the Board of Directors will faithfully discharge their duties.

Section 8. Seal. The seal of this corporation will be in the form of a circle and will bear, among other things, the name of the corporation and the date of its incorporation.

Section 9. Rules. These Bylaws govern the transaction of business for this Board of Directors. To the extent that the Bylaws do not cover specific procedures, the most recent version of *Robert's Rules of Order* will be applied.

Section 10. Confidential and Exempt Public Records. Under Florida Statutes 1004.28(5)(b), other than the auditor's report, management letter, any records related to the expenditure of state funds, and any financial records related to the expenditure of private funds for travel, all records of the Foundation and any supplemental data requested by the Board of Governors, the Board of Trustees, the Auditor General, and the Office of Program Policy Analysis and Government Accountability shall be confidential and exempt from s. 119.07(1).

ARTICLE IX. CONFLICT OF INTEREST

All actual or potential conflicts of interest involving directors and officers of the Foundation will be disclosed and addressed in accordance with the Foundation's Conflict of Interest Policy.

I CERTIFY these Amended and Restated Bylaws were approved by the Board of Directors on _____ and by the University of Central Florida Board of Trustees on _____.

Dana Patton, Secretary
University of Central Florida Foundation,
Incorporated Board of Directors

Amendment History

Original: October 13, 2001

Amended and Restated: October 21, 2022, Approved by Board of Directors

November 17, 2022 Approved by UCF Board of Trustees



Board of Trustees
November 17, 2022

GOV-3: Amended Bylaws and Articles of Incorporation for Central Florida Clinical Practice Organization, Inc.

☐ Information

☐ Discussion

☒ Action

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

The Board Policy on Presidential Authority, section 8(a) requires the President to present and recommend changes to governing documents for practice plan corporations of the university. Central Florida Clinical Practice Organization, Inc. is a related entity/practice plan corporation of the university, and although it is not a DSO, it follows the approval processes followed by the university's DSO.

The bylaws of the corporation have been revised in order to follow the Governance Recommendations approved by the Board of Trustees (BOT) on April 22, 2021, as a result of the BOT's DSO Governance Project Report to improve operational effectiveness and efficiency. In order to implement those recommendations with regard to bylaws, a bylaws template was developed by the DSO Office and the Office of General Counsel. Although Central Florida Clinical Practice Organization, Inc. is not a DSO, the DSO bylaws template was used to develop its Sixth Amended & Restated Bylaws and was tailored to the corporation's operations and activities.

The Articles of Incorporation have been revised in order to align with the changes made to the Sixth Amended & Restated Bylaws and to make necessary updates.

The major changes in the Sixth Amended & Restated Bylaws and in the First Amended & Restated Articles of Incorporation are outlined in Attachment A.

The Sixth Amended & Restated Bylaws and the First Amended & Restated Articles of Incorporation for Central Florida Clinical Practice Organization, Inc. were adopted by its Board of Directors at its meeting on October 17, 2022, and will become effective July 1, 2023.

Background Information:

The Board of Governors and the university authorized the formation of a corporate entity to achieve the objectives of the College of Medicine's Faculty Practice Plan. Central Florida Clinical Practice Organization, Inc. was formed in 2008.

Recommended Actions:

Approve the Sixth Amended & Restated Bylaws and the First Amended & Restated Articles of Incorporation for Central Florida Clinical Practice Organization, Inc.

Alternatives to Decision:

Decline to approve and recommend modifications to be considered by the Central Florida Clinical Practice Organization, Inc. Board.

**Fiscal Impact and Source of Funding:**

N/A

Authority for Board of Trustees Action:

Board Policy on Presidential Authority, section 8(a)

Contract Reviewed/Approved by General Counsel ☐ N/A ☒

Committee Chair or Chair of the Board has approved adding this item to the agenda ☒

Submitted by:

Jeanette Schreiber, Senior Associate Vice President for Health Affairs and Chief Legal Officer, College of Medicine

Supporting Documentation:

Attachment A: Summary of Bylaws Changes

Attachment B: Sixth Amended & Restated Bylaws of Central Florida Clinical Practice Organization, Inc.

Attachment C: First Amended & Restated Articles of Incorporation of Central Florida Clinical Practice Organization, Inc.

Facilitators/Presenters:

Youndy Cook, Vice President and General Counsel

Central Florida Clinical Practice Organization, Inc.

Summary of Bylaws and Articles of Incorporation Changes

Major Bylaws Changes:

ARTICLE I

- Members, Purpose, Mission and Office – Office location was added.

ARTICLE II

- Directors - The Board will be comprised of the President or designee, at least one UCF Board of Trustees (BOT) representative appointed by the Chair of the BOT, a designee of the Vice President for Health Affairs, the Sr. Associate Vice President for Financial Affairs and additional representatives appointed by the University President. Language was added requiring BOT approval of all appointments to the Board other than the BOT Chair or designee and the University President or designee.
- Board member terms - Terms for designated or appointed members of the Board will begin on the date of appointment and end on June 30 (or July 1 through June 30, whichever applies) or until their successor is duly designated or appointed. (Section 2)
- Resignations – Added language that a Director may resign at any time by written resignation to the Chair. (Section 5)
- Board powers – Added language regarding powers. (Section 6) –
 - To discharge faithfully all duties imposed by the Articles of Incorporation and law. (Section 6.A.)
 - To meet upon the call of the Board Chair, the Vice Chair or the CEO or any two Directors. (Section 6.B.)
 - To select a bank or other depositories and to cause the corporation to conduct its financial affairs in conformity with policies and procedures adopted by the Board of Directors. (Section 6.C.)
 - To cause an annual audit of the books and records at least once each fiscal year. (Section 6.D.)
 - To authorize the CEO, other Officers, and the corporation's senior management to take action(s) as directed by the Board. (Section 6.F.)
 - To annually approve the corporation's operating budget as well as any material changes to the budget, and then submit the budget to the BOT for approval (Section 6.H.)
 - To annually submit to the BOT and the Board of Governors its federal Internal Revenue Service Return of Organization Exempt from Income Tax filing (Form 990). (Section 6.I.)

- Who can call Board meetings - (Section 7) Added language that the Board Chair will preside at meetings, and in the Board Chair's absence, the Vice Chair will preside. Revised special meetings language so that such meetings may be called by the Board Chair, Vice Chair or CEO or the written request of 2 members of the Board and added that notice of regular and special meetings can be made via Board portal notice. (Sections 7A. and B.)
- Proxies – Added language that proxies will not be accepted for any purpose in a meeting. (Section 7C.)
- Public Notice and Public Comment – Added public notice and public comment language. (Sections 8 and 9)
- Quorum and Voting – Removed language related to adjourning a meeting to a date no more than 10 days later if there is not a quorum. (Section 10)
- Separation of Board Officers and Corporate Officers – Revised to clearly separate Officers of the Board and Corporate Officers and make clear that Corporate Officers are not members of the Board. Board Officers will be Chair and Vice Chair, with the Chair selected by the President of UCF and the Vice Chair elected by the Board. (Section 12 and Article III)

ARTICLE III

- Corporate Officers – Clarifies that Directors are not Corporate Officers. Identifies the standing Corporate Officer roles as CEO, Treasurer and Secretary. The CEO will be the Vice President with responsibility for health affairs and will appoint the Treasurer and Secretary.
- Officer Duties – Establishes baseline responsibilities for each of the Corporate Officers.

ARTICLE IV

- Committees – Removed sections on committee on nominations and special committees. (Section 2)

ARTICLE V

- Governing Authority - Added section on Governing Authority.

ARTICLE VI

- Nondiscrimination - Added Article on nondiscrimination.

ARTICLE IX

- Added language regarding contracts, compensation and employment and the prohibition on using state funds for travel expenses. (Sections 1, 3 and 4)
- Indemnification – Updated language subject to Florida Statutes, Section 607.0850 and 617.0831. (Section 5)
- Ethics and Financial Disclosure – Added compliance language pursuant to Sunshine and Public Records Laws and Code of Ethics for Public Officers and Employees. (Section 6)

- Added language regarding the corporate seal, insurance and meeting rules.

ARTICLE X

- Conflict of Interest - Added Article regarding Conflict of Interest.

Major Articles of Incorporation changes:

- Name and Address – Updated address.
- Directors and Officers - Revised sections on Directors and Officers to be consistent with changes in the proposed Sixth Amended & Restated Bylaws.
- Registered Agent - Updated the Registered Agent's name and address.
- Added Articles containing information required by Florida law and the Secretary of State's office, including the July 1, 2023 effective date.

**SIXTH AMENDED & RESTATED BYLAWS OF
CENTRAL FLORIDA CLINICAL PRACTICE ORGANIZATION, INC.**

**ARTICLE I.
MEMBERS, PURPOSE, MISSION, AND OFFICE**

The corporation will have no members and will be managed by the Board of Directors.

The corporation is organized as a corporation not-for-profit under Chapter 617, Florida Statutes. The corporation will be organized and operated exclusively for scientific, educational, and charitable purposes, within the meaning of Section 501(c)(3) of the United States Internal Revenue Code, and not for pecuniary profit, and exclusively for the support and benefit of the University of Central Florida (the “University”). The corporation will possess all powers and authority as are now or may hereafter be granted to corporations not-for-profit under the laws of the State of Florida. The specific purposes for which the corporation is organized will include the promotion and support of medical education, research, and patient care, including the collection, receipt, management, administration and distribution of funds, exclusively for support of the mission and objectives of the university’s College of Medicine (the “College”), in accordance with the College of Medicine Faculty Practice Plan adopted in accordance with Florida Board of Governors Regulation 9.017, or corresponding provisions of any subsequent laws or rules.

The principal office of Central Florida Clinical Practice Organization, Inc. will be located at 6850 Lake Nona Blvd., 3rd Floor, Orlando, Orange County, Florida.

**ARTICLE II.
BOARD OF DIRECTORS**

Section 1. Directors. The Central Florida Clinical Practice Organization, Inc. Board of Directors will consist of:

- A. The President of the University of Central Florida, or designee,
- B. At least one University of Central Florida Board of Trustees (“BOT”) representative appointed by the Chair of the BOT,
- C. A designee of the Vice President for Health Affairs of the University of Central Florida,
- D. The Sr. Associate Vice President for Financial Affairs, and
- E. Additional representatives appointed by the University President.

The BOT will approve all appointments to the Board of Directors other than the BOT Chair or designee and the University President or designee.

Section 2. Terms of Office. *Ex officio* members of the Board of Directors will serve as directors of the corporation for such time as they continue to serve in their positions with the university.

Directors designated or appointed to the Board of Directors will serve for three-year terms. Terms will begin on the date of appointment and end June 30 (or July 1 through June 30, whichever applies) or until their successor is duly designated or appointed. Any designated or appointed director may be designated or appointed to successive terms.

Section 3. Vacancies. Whenever any vacancy occurs in the Board of Directors by death, resignation, or otherwise, it will be filled without undue delay. Any person designated or appointed to fill a vacancy in the Board of Directors will hold office for the unexpired term of his or her predecessor in office.

Section 4. Removal. The University President may remove any director at any time upon written notice, with or without cause, except for directors appointed by the BOT Chair. The Board of Directors may remove any director at any time upon a two-thirds vote of the directors, whenever the best interests of the corporation would be served.

Section 5. Resignation. A Director may resign at any time by submitting a written resignation to the Chair.

Section 6. Powers and Duties. The property, affairs, activities, and concerns of the corporation are vested in the Board of Directors subject to the Articles of Incorporation, Bylaws, applicable laws, guidelines and policies and regulations. All management functions will be exercised by the Board of Directors subject to its delegation. The powers and duties of the Board of Directors are as follows:

- A. To discharge faithfully all the duties imposed upon it by the Articles of Incorporation and by law.
- B. To meet upon the call of the Board Chair, the Board Vice Chair, the Chief Executive Officer (“CEO”) of the corporation or any two directors.
- C. To select a bank or banks or other depositories for the deposit of funds and securities of the corporation; and to cause the corporation to conduct its financial affairs in conformity with the policies and procedures adopted by the Board of Directors.
- D. To cause an audit of the books and records of this corporation to be made at least once each fiscal year together with a management letter, including the response from management, if required, conducted by a firm of independent Certified Public Accountants, whose engagement letter will provide that it render an opinion on the financial statements in accordance with generally accepted accounting principles and to have the results of the audit reported to and accepted by the Board of Directors.
- E. To hold and to invest and reinvest any monies it receives and to hold any property, to sell or exchange the same, and to invest and reinvest the proceeds of any sale or other conversion of any such property, for the purpose of earning income, which income, less operating expenses of the corporation, will be used to further the specific purposes of the corporation.
- F. To authorize the CEO, other Officers, and the corporation’s senior management to take action(s) as directed by the Board of Directors.

- G. To borrow money by issuing long or short-term notes, bonds, or debentures and to pledge, mortgage, or otherwise encumber its assets within the discretion of the Board, subject to the policies of the University of Central Florida, its Board of Trustees and the Florida Board of Governors.
- H. To annually approve the corporation's operating budget as well as any material changes to the budget, and then submit the budget to the University of Central Florida Board of Trustees for approval.
- I. To annually submit to the University of Central Florida Board of Trustees and the Board of Governors its federal Internal Revenue Service Return of Organization Exempt from Income Tax filing ("Form 990").

Section 7. Meetings of the Board. The Board Chair will preside at meetings of the Board of Directors. In the absence of the Board Chair, the Vice Chair will preside.

- A. Regular meetings of the Board of Directors will be held as determined by the Board of Directors. Written notice of the time and place of the annual meeting and regular meetings will be provided to each director, by personal delivery, first class mail, or electronic mail or board portal notice, at least three (3) business days before the meeting.
- B. Special meetings of the Board of Directors may be called by the Board Chair, Vice Chair, CEO or upon the written request of two (2) members of the Board of Directors. At least three (3) business days prior written notice of any special meeting will be provided to all members of the Board of Directors by personal delivery, first class mail, electronic mail or board portal notice.
- C. Proxies, general or special, will not be accepted for any purpose in the meetings of the Board of Directors.
- D. Any director may waive notice of any meeting. The attendance of a director at any meeting will constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 8. Public Notice. Public notice of any meeting of the Board of Directors or any Committee will be made as required by Florida law. Opportunity for public comment may be permitted.

Section 9. Public Comment. To the extent required by law or permitted by the Chair, individuals who desire to appear before the Board of Directors or any Committee regarding an item being considered must submit their requests in writing to the address or email address noted in the posted notice for the meeting in advance, specifying the agenda item about which they wish to speak. Public comment will be limited to three (3) minutes per person.

Section 10. Quorum and Voting. A majority of the Board of Directors will constitute a quorum for the transaction of business. The act of a majority of the directors present at a meeting at which

a quorum is present will be the act of the Board of Directors unless a greater number is required by these bylaws or by law.

Section 11. Participation by Electronic Means. Members of the Board of Directors may participate in a meeting of the Board by conference, telephone or similar communications means provided all persons participating in the meeting are able to communicate with each other.

Section 12. Chair and Vice Chair of the Board. The Board of Directors will have a Chair and Vice Chair serve as officers of the Board.

- A. Chair of the Board. The Chair of the Board (“Board Chair”) will be selected by the University President and must be a member of the Board. The Board Chair will:
 - 1. Preside at the meetings of the Board of Directors. The Board Chair or designee will prepare the agenda for all meetings of the Board of Directors.
 - 2. Sign all certificates, bonds, deeds, mortgages, leases, and contracts of the corporation except as otherwise approved by the Board of Directors.
 - 3. Perform all duties as the Board of Directors will designate and may delegate certain duties with the Board of Directors’ approval.
 - 4. Perform other duties as are necessarily incident to the office of the Board Chair.
- B. Vice Chair. The Vice Chair will be elected by the Board of Directors to serve as its Vice Chair and must be a member of the Board. The Vice Chair will assume the Chair’s duties in the Chair’s absence or incapacity and perform such duties as are assigned by the Chair.
- C. Term of Board Officers. Officers of the Board will serve for three years or until their successor is duly selected or elected. Any such selected or elected Board officer may serve successive terms.
- D. Removal. The Board of Directors may remove any Board officer at any time upon a two-thirds vote of the directors, whenever the best interests of the corporation would be served.
- E. Vacancies. In the event of absence, inability, or refusal to act of the Chair, the University President will select another member of the Board to serve as Chair. In the event of absence, inability or refusal to act of the Vice Chair, the Board will elect a new Vice Chair no later than its next regular meeting.

ARTICLE III. OFFICERS OF THE CORPORATION

Section 1. Officers. The officers of the corporation will be non-members of the Board and will be as follows:

- A. CEO, who is the Vice President of the University of Central Florida with responsibility for health affairs;
- B. Secretary, who will be appointed by the CEO;
- C. Treasurer, who will be appointed by the CEO, in consultation with the Chief Financial Officer of the University; and
- D. Other officers, listed below, as may be appointed by the CEO.

Section 2. Term of Corporate Officers. *Ex officio* Corporate Officers who are employees of the University of Central Florida will serve as long as they continue to be employed with the University of Central Florida in that position. The term of office for appointed Corporate Officers will commence when appointed and continue for three (3) years or until their successor is duly appointed. Any such appointed officer may serve successive terms.

Section 3. Duties of Officers. The duties and powers of the officers of the corporation will be as follows:

- A. CEO. The CEO will be the chief executive officer of the corporation, will have general and active management of the business and affairs of the corporation, subject to the directions of the Board of Directors, and, in the absence of a Chair or Vice Chair of the Board of Directors, will preside at all meetings of the Board of Directors.
- B. Secretary. The Secretary will be responsible for the following permanent records:
 - 1. Accurate minutes of the proceedings of all meetings of the Board of Directors and a record of the actions of the Board and committees.
 - 2. A copy of the Articles of Incorporation and Bylaws of the corporation and all amendments.
- C. Treasurer. The Treasurer will oversee the fiscal affairs of the corporation. The duties of the Treasurer include assuring that adequate provision is made for the care and custody of all the assets of the corporation.

Section 4. Removal. The CEO may remove any corporate officer at any time whenever the best interests of the corporation would be served.

Section 5. Vacancies. In the event of absence, inability, or refusal to act of any of the appointed or designated officers of the corporation, the CEO, except as otherwise provided for in these Bylaws and subject to University Regulation 10.001, will appoint a successor or successors to perform the duties of their respective offices.

ARTICLE IV. **COMMITTEES**

Section 1. General. The Board Chair may, at any time, appoint and charge such committees necessary and advisable to assist in the conduct of the corporation's affairs. Although committee members may include members who are not directors, committees will include a majority of directors and will be chaired by a director appointed by the Board Chair. Committee member appointments will be for defined terms, and committee members may be removed at any time, with or without cause, by the Board Chair. A majority of any committee of the corporation will constitute a quorum for the transaction of business.

Section 2. Audit Committee. The Board of Directors may establish an Audit Committee to provide for oversight of the integrity of financial reporting, internal controls and the independence and performance of the audit function of the corporation's independent auditors.

ARTICLE V. **GOVERNING AUTHORITY AND FISCAL YEAR**

Section 1. Governing Authority. Notwithstanding any other provision of these Bylaws to the contrary, the affairs and operations of the corporation will be conducted in compliance with the applicable regulations of the Florida Board of Governors and the University of Central Florida, including regulations governing the faculty practice plan for the University of Central Florida College of Medicine.

Section 2. Fiscal Year. The fiscal year of the corporation will begin on July 1 and end on June 30 of the following year.

ARTICLE VI. **NONDISCRIMINATION**

The corporation is committed to non-discrimination with respect to race, color, religion, age, disability, sex, marital status, national origin, veteran status or any other basis protected by law.

ARTICLE VII. **AMENDMENTS**

These Bylaws may be made, altered, or rescinded by a two-thirds (2/3) vote of members of the Board of Directors present at any regular or special meeting at which a quorum is present. All amendments must be submitted to the University of Central Florida Board of Trustees.

ARTICLE VIII.

DISTRIBUTION OF NET RECEIPTS

The accumulation, expenditure, and distribution of all funds of the corporation will be exclusively for the support of the mission and objectives of the University of Central Florida College of Medicine and will be made only after approval by the Vice President for Health Affairs of the university or designee.

ARTICLE IX.

OPERATIONAL PROVISIONS

Section 1. Contracts. Contracts for the activities of this corporation will be signed in the name of the corporation by the Board Chair except as otherwise delegated.

Section 2. Financial Audits and Reports. The corporation will annually have a financial audit of its accounts and records conducted by an independent certified public accountant. The audit will be performed in accordance with the applicable rules adopted by the Auditor General and by the BOT, which will be forwarded to the BOT for review and to the Board of Governors and Auditor General.

Section 3. Compensation and Employment. The directors and officers of this corporation, except those otherwise employed by the corporation or UCF, will not receive any compensation from this corporation for their services as director or officer.

- A. Directors, officers, and employees of this corporation may be reimbursed from funds of the corporation for any travel expenses or other expenditures incurred by them in the proper performance of their duties, provided the reimbursements or expenditures comply with applicable laws, regulations and policies.
- B. Personnel employed by this corporation will not be considered employees of the State of Florida by virtue of employment by this corporation.
- C. The corporation will provide equal employment opportunities for all persons regardless of race, color, religion, sex, age, or national origin. Personal services provided to the organization must comply with Section 1012.976, Florida Statutes.

Section 4. Travel Expenses. The corporation will not use state funds for travel expenses.

Section 5. Indemnification. Pursuant to Sections 607.0850 and 617.0831, Florida Statutes, any person who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed action, suit, or proceeding whether civil, criminal, administrative, or investigative (other than an action by, or in the right of, the corporation, by reason of the fact that he or she is or was a Director or Officer of the corporation) shall be indemnified against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit, or proceeding, including any appeal thereof, but only if he or she acted in good faith and in a manner he or she reasonably believed

to be in, or not opposed to, the best interest of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The corporation shall have the authority to purchase insurance for this purpose.

Authorization of Indemnification. Any indemnification hereunder shall be made by the corporation only upon a determination that indemnification of the Director or Officer is proper in a specific case because he or she has met the standard of conduct set forth in the previous paragraph of this Section 5. Such determination shall be made by the Board by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding or, if such quorum is not obtainable, by a majority vote of a committee duly designated by the Board (in which Directors who are parties may participate) consisting solely of two (2) or more Directors not at the time parties to the action, suit or proceeding or by a committee comprised of individuals who were not parties to such action, suit or proceeding where such committee is selected by a majority vote of the full Board (in which Directors who are parties may participate).

Section 6. Ethics and Financial Disclosure. It is the duty of each Director and Officer to fully comply where applicable with the Government-in-the-Sunshine Law set forth in Section 286, et seq., Florida Statutes, the Public Records Law set forth in Section 119, et seq., Florida Statutes, and to the extent it applies, the Code of Ethics for Public Officers and Employees set forth in Chapter 112, Part III, Florida Statutes.

Section 7. Seal. The seal of this corporation will be in the form of a circle and will bear, among other things, the name of the corporation and year of its incorporation.

Section 8. Insurance. Central Florida Clinical Practice Organization, Inc. will keep in force a blanket surety bond, or directors and officers liability insurance, or other general liability insurance, the adequacy of which will be determined by the Board, or a Committee designated by the Board, to assure that each Officer and employee who is authorized to collect, hold, or disburse funds of Central Florida Clinical Practice Organization, Inc. will faithfully discharge their duties.

Section 9. Rules. These Bylaws govern the transaction of business for this Board of Directors. To the extent that the Bylaws do not cover specific procedures, the most recent version of *Robert's Rules of Order* will be applied.

ARTICLE X. CONFLICT OF INTEREST

All actual or potential conflicts of interest involving directors and officers of the corporation will be disclosed and addressed in accordance with the corporation's Conflict of Interest Policy.

I CERTIFY these Sixth Amended & Restated Bylaws of the Central Florida Clinical Practice Organization, Inc. were approved and adopted by the corporation's Board of Directors on _____.

Jeanette C. Schreiber, JD, MSW
Secretary

Amendment History

Adopted by Board of Directors: 4/5/2010

Amended and Restated: 8/1/2011

Second Amended and Restated: 9/4/2012

Third Amended and Restated: 9/11/2014

Fourth Amended and Restated: 3/10/2015

Fifth Amended and Restated: 8/29/2019, 2/19/202; UCF Board of Trustees 2/20/2020

Sixth Amended and Restated: 10/17/2022; UCF Board of Trustees _____

**FIRST AMENDED & RESTATED ARTICLES OF INCORPORATION
of
CENTRAL FLORIDA CLINICAL PRACTICE ORGANIZATION, INC.**

(A Non-Profit Corporation)

The undersigned, as Secretary of Central Florida Clinical Practice Organization, Inc. (Corporation), hereby certifies as follows:

**ARTICLE I
Name and Address**

The name of the Corporation is Central Florida Clinical Practice Organization, Inc. The principal office and mailing address of the Corporation shall be University of Central Florida College of Medicine, 6850 Lake Nona Boulevard, 3rd Floor, Orlando, Florida 32827.

**ARTICLE II
Purpose, Powers and Dissolution**

Section 1. Purposes and Powers.

The Corporation is organized as a corporation not-for-profit under Chapter 617, Florida Statutes. The Corporation shall be organized and operated exclusively for scientific, educational, and charitable purposes, within the meaning of Section 501(c)(3) of the United States Internal Revenue Code, and not for pecuniary profit, and exclusively for the support and benefit of the University of Central Florida (the "University"). The Corporation shall possess all powers and authority as are now or may hereafter be granted to corporations not-for-profit under the laws of the State of Florida. The specific purposes for which the Corporation is organized shall include the promotion and support of medical education, research, and patient care, including the collection, receipt, management, administration and distribution of funds, exclusively for support of the mission and objectives of the University's College of Medicine (the "College"), in accordance with the College of Medicine Faculty Practice Plan adopted in accordance with Florida Board of Governor's Regulation 9.017 or corresponding provisions of any subsequent laws or rules.

Section 2. Limitations on Actions.

No part of the net earnings of the Corporation shall inure to the benefit of or be distributable to, its members, directors, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes as set forth in these articles of incorporation. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation

shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for political office. Notwithstanding any other provisions of these articles, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code or the corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future tax code. No employee of the Corporation shall engage in the practice of medicine.

Section 3. Dissolution.

Upon dissolution of this Corporation, all of its assets remaining after the payment of all costs and expenses of such dissolution shall be disbursed to the University of Central Florida Foundation, Inc., provided that it is exempt under Section 501(c)(3) of the Internal Revenue Code, or corresponding provisions of any future tax code, for use only by the College of Medicine. In the event that such organization is not in existence or the University of Central Florida Foundation, Inc., is not exempt under Section 501(c)(3) of the Internal Revenue Code, or corresponding provisions of any future tax code, the remaining assets of the Corporation shall be distributed, at the discretion of the Board of Directors of the Corporation, for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction of the county in which the principal office of the Corporation is then located exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for educational, scientific or charitable purposes and which qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code or the corresponding section of any future tax code.

ARTICLE III Membership

The members of this not-for-profit corporation, if any, shall be qualified and admitted as set forth in the Bylaws of this Corporation.

ARTICLE IV Term of Existence

This Corporation shall have perpetual existence unless it shall be dissolved according to the laws of the State of Florida.

ARTICLE V
Board of Directors

The property, affairs and activities of the Corporation shall be managed by the Board of Directors, who shall serve *ex officio*, be appointed or be designated as provided in the Bylaws of this Corporation, and who shall serve without compensation.

ARTICLE VI
Officers

The Officers shall be appointed or elected as described in the Bylaws of the Corporation.

ARTICLE VII
Stock and Dividends Prohibited

The Corporation shall have no capital stock, pay no dividends, distribute no part of the net income to its members, officers, or directors, and the private property of its members shall not be liable for any obligations of the Corporation.

ARTICLE VIII
Amendment

Amendments to these Articles of Incorporation may be proposed and adopted by a vote of two-thirds (2/3) of all members of the Board of Directors.

ARTICLE IX
Incorporator

The name and street address of the incorporator is:

W. Scott Cole

Vice President and General Counsel University of Central Florida

Millican Hall, Suite 360

4000 Central Florida Blvd. Orlando, FL 32816-0015

ARTICLE X
Office and Registered Agent

Jeanette C. Schreiber, whose office is located at University of Central Florida College of Medicine, 6850 Lake Nona Boulevard, 3rd Floor, Orlando, Florida 32827, is designated as the Registered Agent to accept service of process for the Corporation within this state, and said Agent's acceptance is endorsed below.

ARTICLE XI

Article Consolidation

These adopted First Amended & Restated Articles of Incorporation supersede the original Articles of Incorporation and all amendments to them.

ARTICLE XII

Required Adoption Information

These First Amended & Restated Articles of Incorporation contain amendments to the Articles of Incorporation which required Board of Directors approval. The date of adoption of the amendments was October 17, 2022, and the votes cast were sufficient for approval.

ARTICLE XIII

Effective Date

The effective date of these First Amended & Restated Articles of Incorporation is July 1, 2023.

IN WITNESS WHEREOF, the undersigned has executed these Articles of Incorporation on the ____ day of _____, _____.

Secretary

By: _____
Jeanette C. Schreiber, JD, MSW
Secretary

ACCEPTANCE BY REGISTERED AGENT

The undersigned, having been designated as the registered agent of the Corporation, and being familiar with and accepting the obligations of the position, does hereby accept that designation.

Jeanette C. Schreiber, Registered Agent

_____, 20__



Board of Trustees
November 17, 2022

GOV-4: Amendments to University Regulation UCF-2.040 Development, Approval, Termination, and Suspension of Degree Programs

☐ Information

☐ Discussion

☒ Action

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

This regulation outlines the policies and procedures governing new degree development, as well as termination and suspension of degree programs. The proposed amendments to this regulation are update terminology to be consistent with Board of Governors Regulation 8.011 Authorization of New Academic Degree Programs and Other Curricular Offerings.

This regulation was posted online October 17, 2022, for public comment. No comments were received as of the date of submission of these materials.

Background Information:

Florida Board of Governors Regulation 1.001 provides that "Each Board of Trustees is authorized to promulgate university regulations in accordance with the Regulation Development Procedure adopted by the Board of Governors."

Recommended Action:

Approve the proposed amendments to UCF Regulation UCF-2.040.

Alternatives to Decision:

Decline to approve the proposed amendments to University Regulation UCF-2.040.
Recommend alternative amendments.

Fiscal Impact and Source of Funding:

N/A

Authority for Board of Trustees Action:

Board of Governors Regulations 1.001 and 8.011

Contract Reviewed/Approved by General Counsel ☐ N/A ☒

Committee Chair or Chair of the Board has approved adding this item to the agenda ☒

Submitted by:

Youndy Cook, Vice President and General Counsel



Board of Trustees

Agenda Memo

Supporting Documentation:

Attachment A: Proposed Amended Regulation UCF-2.040

Facilitators/Presenters:

Youndy Cook

UCF 2.040 Development, Approval, Termination, and Suspension of Degree Programs

(1) All proposals for new degree programs, as well as all terminations of existing degree programs, shall be approved by the Board of Trustees in accordance with Board of Governors Regulation 8.011 and 8.012. The purpose of this Regulation is to outline the basic guidelines governing new degree development, as well as suspension and termination of degree programs, at the University of Central Florida. The core tenets that guide the process are:

- (a) The faculty creates, approves, and modifies all curricula, including degree programs, as outlined in the faculty senate bylaws that charters the Undergraduate Council and the Graduate Council.
- (b) The administration determines program alignment with the University Mission, University Strategic Plan, and the University ~~Accountability~~~~Work~~ Plan, as well as whether funding and funding priorities support approval of specific degree programs, given the resources needed to support those programs in a manner consistent with the University's status as an aspiring preeminent institution.

(2) All formal new degree proposals are developed at the department level by UCF faculty members. The process for approving new degree programs utilizes a pre-proposal process that includes the Board of Governors Council of Academic Vice Presidents (CAVP) Academic Coordination Group (ACG).

- (a) Early in the development process, the lead faculty author works with the Provost's Office and Graduate Studies, if appropriate, to prepare a CAVP Pre-Proposal for the Provost's approval.
- (b) The CAVP Pre-Proposal is reviewed and approved following the guidelines provided by the Provost's Office. Approved pre-proposals are included in the University's annual accountability report submitted to the Board of Governors.

(3) After review by the CAVP ACG, a full Proposal for New Program is completed in accordance with the common State University System (SUS) new degree proposal format and submitted through the process as outlined in Faculty Senate Bylaws.

(4) Other Academic Curricular Offerings under Board of Governors Regulation 8.011(7), which include program minors, concentrations, areas of emphasis, tracks, and for-credit certificate programs, shall also follow the internal approval process, but are finalized at the Provost level.

(5) After approval by the UCF Board of Trustees, degree proposals are submitted to the Board of Governors' Office for review and inclusion in the SUS Degree Inventory, at which time the new degree program is also placed in the UCF Degree Program Inventory, with the following additional processes required for specific types of programs:

- (a) All doctoral degree programs must be reviewed by a qualified external consultant prior to consideration by the UCF Board of Trustees. The reviewer's report is advisory to the UCF Board of Trustees. After Board of Trustees approval, research doctorate and professional degrees are forwarded to the Board of Governors staff in preparation for review and approval at a formal Board of Governors meeting. Degrees at this level are placed on the appropriate degree inventories only after approval by the full Board of Governors.
- (b) Bachelor's degree programs that are seeking ~~specialized admission~~~~limited access~~ status or requesting waiver of the 120 credit hour limit, must also receive Board

of Governors approval, and are not placed in either the Board of Governors or the UCF degree inventory until such approval is received.

(6) Approval for new majors, tracks, and certificates under an existing approved program do not require the pre-proposal process. New majors must meet the definition outlined in BOG Regulation 8.011(2)(b) and must be “reasonably associated with the degree program under which it is offered and shall share common core courses with any other majors within the same degree program.” Approval for majors, track, and certificates do not require Board of Trustees or Board of Governors approval; however, a full proposal is submitted as outlined in paragraph (3) above.

(7) The process for terminating a UCF degree program mirrors that found in Board of Governors Regulation 8.012. The academic unit requesting termination prepares an “Academic Degree Program Termination Form” for review and approval as outlined in the Faculty Senate bylaws. Degrees at the professional and doctoral levels are terminated only with approval from the Board of Governors. All terminated programs require a teach-out plan, if students are enrolled in the program, in accordance with undergraduate and graduate policy as outlined in the termination form. The Provost Office will oversee the notification of the Florida College System as required in 8.012(1)(b)3.

(8) Temporary suspensions of UCF degree programs also follow the requirements set forth in Board of Governors Regulation 8.012 and require the unit to prepare a “Request for Temporary Suspension of New Enrollments in an Academic Degree Program” form. Programs may be suspended for up to 9 semesters. After that time, UCF must notify the Board of Governors’ office on the desired course of action for the program (e.g., formal termination, reinstatement, or request an extension of the suspension period).

Authority: Art. IX, Sec. 7, Fla. Constitution, BOG Regulations 8.004, 8.011, 8.012, 8.013, and 8.014. History: New 6-18-2020, _____22.

Board of Trustees
November 17, 2022

GOV-5: Amendments to University Regulation UCF-4.010 Solicitation on Campus

☐ Information

☐ Discussion

☒ Action

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

This regulation outlines the policies and procedures governing solicitation on campus. The only proposed amendment is to update the language in paragraph (4) regarding harassment and threats to be consistent with other university regulations.

This regulation was posted online October 17, 2022, for public comment. No comments were received as of the date of submission of these materials.

Background Information:

Florida Board of Governors Regulation 1.001 provides that “Each Board of Trustees is authorized to promulgate university regulations in accordance with the Regulation Development Procedure adopted by the Board of Governors.”

Recommended Action:

Approve the amendments to UCF Regulation UCF-4.010.

Alternatives to Decision:

Decline to approve the amendments to University Regulation UCF-4.010 as proposed.
Recommend alternative amendments.

Fiscal Impact and Source of Funding:

N/A

Authority for Board of Trustees Action:

Board of Governors Regulation 1.001

Contract Reviewed/Approved by General Counsel ☐ N/A ☒

Committee Chair or Chair of the Board has approved adding this item to the agenda ☒

Submitted by:

Youndy Cook, Vice President and General Counsel

Supporting Documentation:

Attachment A: Proposed Amended Regulation UCF-4.010



Board of Trustees

Agenda Memo

Facilitators/Presenters:

Youndy Cook

UCF-4.010 Solicitation on Campus.

(1) This regulation applies to all solicitors.

(2) Definitions

- (a) For purposes of this regulation, “campus” shall be defined to include all properties and facilities under the guidance, supervision, regulation, or control of the University of Central Florida or any of its direct support organizations, and all fraternity and sorority houses on the campus.
- (b) Solicitation is defined to be any act or event conducted for the purpose of financial or commercial gain to the vendor, individual(s) or organization(s). For purposes of this regulation, solicitation includes:
 - 1. the sale, lease, rental or offer for sale, lease, rental, or distribution of any property, product, merchandise, publication or service, whether for immediate or future delivery; or
 - 2. the distribution or display of printed material, merchandise, or products – whether through printed or media advertising, sponsorships, or otherwise – that is designed to publicize, advertise, encourage the purchase, use, or rental of any property, product, merchandise, publication or service.
- (c) Solicitor is defined to be any person, individual, vendor, or business that engages or wishes to engage in solicitation. The term solicitor would include any university department, group, organization, employee, student, student organization, vendor, or visitor that engages or wishes to engage in solicitation.
- (d) University contract is defined to mean any university obligation, commitment, or contract that obliges the university in any way, whether or not money is exchanged, or which relates to the needs of the university’s own operations or academic mission. The term university contract would include bond obligations, support of university departments or direct support organizations, agreements with vendors and suppliers, and other commitments the university has made or may make.

(3) Solicitation is prohibited on campus without prior approval. UCF Business Services is the primary authority for approving solicitation on campus. Except as provided in this regulation, university departments, units, and DSOs must have approval from UCF Business Services prior to entering into any contract allowing solicitation on campus by any third party.

(4) All approved solicitation must be appropriate for the university community, benefit the students, faculty, and staff, and be conducted in a manner that will not:

- (a) obstruct vehicular, bicycle, pedestrian, or other traffic;
- (b) obstruct entrances or exits to buildings or driveways, or impede entry to or exit from any building or parking lot or vehicular path;
- (c) interfere with educational or administrative activities inside or outside any building;
- (d) violate a law, rule, regulation, or ordinance;
- (e) interfere with scheduled university ceremonies or events;
- (f) interfere with or disrupt normal university operations;
- (g) damage property, including grass, shrubs, trees, or other landscaping;
- (h) unlawfully harass, ~~embarrass~~, or ~~intimidate-threaten~~ the person or persons being solicited;
- (i) violate or impair any existing university contract, as defined above.

(5) Solicitors wishing to engage in solicitation activity at the University of Central Florida must contact and obtain approval through UCF Business Services.

(6) Solicitation procedures:

- (a) Vendors must obtain prior approval from UCF Business Services for solicitation. Approvals may be subject to a processing fee.
- (b) Vendors must adhere to the requirements established by UCF for the safety of the event and any rules as may be mandated by UCF's Department of Environmental Health and Safety and/or University Police.
- (c) UCF is not responsible for any loss, theft, or damage to vendors' equipment or goods. Vendors are responsible for the security of their property.
- (d) Those violating this policy will be instructed to cease and desist immediately and may be asked to leave the property. Additionally, a no-trespass warning by the UCF police may be issued to violators.
- (e) Failure of officially registered, active student organizations to comply with this regulation may result in student disciplinary action taken against such organizations, including the loss of the privilege to engage in solicitation on campus, the loss of the privilege to register as a student organization, as well as other disciplinary action. Failure of a student to comply with this regulation may result in student disciplinary action taken against the student.
- (f) By requesting the opportunity for solicitation on the premises, a solicitor warrants that it may lawfully sell or promote its product, service or idea and that such activity does not violate any law, and does not violate any trademark, copyright, or similar proprietary interest.
- (g) A university department, unit, or direct support organization wishing to enter into a contract with a third party that will involve the third party engaging in solicitation on campus must consult with and obtain the approval of UCF Business Services or designee prior to entering into any such contract.

(7) Special Requirements for Food or Beverage Vendors. The university has contractual relationships with specific companies for food and beverage provision on campus. Specifically, the university has an exclusive concessionaire, a preferred caterer, and an exclusive pouring rights and sponsorship agreement. Any other food or beverage vendors may only solicit at the university if their solicitation conforms with these prior contractual arrangements, as well as with other university requirements and policies. Food or beverage vendors must comply with all legal health and safety requirements. Food or beverage vendors may be referred to the university's contractual partners for contractual and administrative oversight. Preference will be given to existing on-site merchants.

(8) Printed Materials Distribution and Posting

- (a) A solicitor must obtain prior approval for solicitation from UCF Business Services for printed material distribution and posting in campus common areas. Refer also to the university's signage policy.
- (b) Posting or otherwise affixing information or items to UCF buildings or property other than bulletin boards is prohibited. Those wishing to post academic-related material on a bulletin board must gain approval from the building coordinator. As a general rule the building coordinator allows items from 1) faculty for their own classes, 2) Student Government Association, or 3) Administration (EHS/Safety/Police). Non-academic solicitation requests must be approved by the Director of Business Services.
- (c) Posting or otherwise affixing printed material or other items on vehicles parked in UCF parking facilities is prohibited.

(9) Exceptions

- (a) Student Union Market Day. This policy does not apply to activities at the Student Union on Market Day as long as the activities do not violate or impair any existing university contract or this regulation. The Director of the Student Union or designee in accordance with Student Union policy regulates activities in the Student Union grounds.
- (b) Football Game Day. On campus football game days, the area designated as the “Gold Zone” is regulated for solicitation purposes by the UCF Athletics Association, Inc. (“UCFAA”), and they may approve solicitation in that area so long as the solicitation does not violate or impair any existing university contract and does not violate paragraph (4) of this regulation. The UCFAA and their designee(s) regulate activities within the Gold Zone. SGA-sponsored functions and student activities may be conducted on Memory Mall in specifically defined areas as long as these activities do not violate or impair any existing university contract or this regulation.
- (c) Registered student organizations that have written permission from the Director of the Student Union and/or the appropriate building coordinator to conduct a solicitation to benefit only the student organization have exception from this policy, as long as the activities do not violate or impair any existing university contract or this regulation. No person or entity outside of the student organization shall participate in the solicitation or receive any financial or other benefit or thing of value from the solicitation. Examples of such solicitations include but are not limited to bake sales and similar fundraising activities, distribution of literature, speakers, giveaway promotions, or signing of petitions.
- (d) The university has contractual relationships with merchants that maintain regular business hours on campus in contractually defined locations. Those merchants are engaged in approved solicitation only to the extent they are operating within the terms of their contracts and the confines of their defined locations on campus. If an established merchant on campus wishes to solicit on campus outside of their contractually defined location, they must seek approval for that solicitation and comply with this regulation.
- (e) This regulation does not apply to vendors, agents, or brokers authorized by the UCF Human Resources Office to offer employee benefits products and services to UCF employees. The Office of Human Resources manages and performs oversight for its specific employee benefits business lines and vendor relationships through departmental guidelines and forms, and does so independently of UCF Business Services and this regulation. Vendors, agents, or brokers authorized by UCF Human Resources are engaged in approved solicitation only to the extent they are operating within the terms of their agreements with the State of Florida or the University and the authorization provided by the UCF Human Resources Office.

Authority: BOG Regulation 1.001. History–New 10-8-75, Amended 10-30-78, Formerly 6C7-4.10, Amended 4-27-03, 1-5-09; Formerly 6C7-4.010. Amended 5-5-14, 11-15-18, 7-18-19, _____-22.

Board of Trustees
November 17, 2022

GOV-6: Amendments to University Regulation UCF-7.203 Real Property Leasing and Repeal of University Regulations UCF-7.201 Real Property Transactions, UCF-7.208 Leases of 5,000 Square Feet or More, and UCF-7.209 Solicitation for Lease Space

☐ Information

☐ Discussion

☒ Action

Meeting Date for Upcoming Action: _____

Purpose and Issues to be Considered:

University Regulation UCF-7.203 Real Property Leasing is substantially amended to incorporate language from university regulations UCF-7.201 Real Property Transactions, UCF-7.208 Leases of 5,000 Square Feet or More, and UCF-7.209 Solicitation for Lease Space. Proposed amendments will consolidate these four regulations into one regulation related to leases of real property. The proposed amendments also simplify regulation language for end user utilization and add provisions to conform to current processes.

With the amendments to Regulation UCF-7.203, we propose the repeal of Regulations UCF-7.201, UCF-7.208, and UCF-7.209 as the material contained in each regulation is either no longer relevant or is proposed for incorporation into the proposed amendment of UCF-7.203.

These regulations were posted online October 17, 2022, for public comment. No comments were received as of the date of submission of these materials.

Background Information:

Florida Board of Governors Regulation 1.001 provides that "Each Board of Trustees is authorized to promulgate university regulations in accordance with the Regulation Development Procedure adopted by the Board of Governors."

Recommended Action:

Approve the proposed amendments to UCF Regulation UCF-7.203 Real Property Leasing and repeal university regulations UCF-7.201 Real Property Transactions, UCF-7.208 Leases of 5,000 Square Feet or More, and UCF-7.209 Solicitation for Lease Space.

Alternatives to Decision:

Decline to approve the proposed amendments to University Regulation UCF-7.203 Real Property Leasing as proposed, and do not repeal UCF-7.201 Real Property Transactions, UCF-7.208 Leases of 5,000 Square Feet or More, and UCF-7.209 Solicitation for Lease Space. Recommend alternative amendments.

Fiscal Impact and Source of Funding:

N/A

**Authority for Board of Trustees Action:**

Board of Governors Regulation 1.001

Contract Reviewed/Approved by General Counsel ☐ N/A ☒

Committee Chair or Chair of the Board has approved adding this item to the agenda ☒

Submitted by:

Youndy Cook, Vice President and General Counsel

Supporting Documentation:

Attachment A: Proposed Amended Regulation UCF-7.203 Real Property Leasing

Attachment B: UCF-7.201 Real Property Transactions

Attachment C: UCF-7.208 Leases of 5,000 Square Feet or More

Attachment D: UCF-7.209 Solicitation for Lease Space

Facilitators/Presenters:

Youndy Cook

UCF-7.203 Real Property Leasing.

(1) This regulation applies to all university and, where specified, university direct support organization leases of real property, irrespective of source or destination of funds involved. This regulation does not apply to a short-term lease agreement of less than ninety (90) consecutive days.

(2) The university may lease real property for the use and benefit of approved programs of the University, according to this and other related regulations. All leases of space where the University is the lessee for greater than 5,000 square feet shall be in accordance with BOG Regulation 17.001.

(3) **Lease.** A lease is an agreement containing the terms and conditions establishing the relationship of landlord and tenant for the use and/or occupancy of real property, including land and any improvement(s) thereon. To be legally binding, a lease must be in writing and executed by an authorized university or direct support organization official. A license or space use agreement which conveys only limited rights of use of particular space is not a lease agreement.

(4) Approval of Leases.

- (a) Prior to entering into discussions with a landlord, requests for space should be submitted to the Office of Space Administration (SA) to determine whether space exists, or could be created, within existing University real estate assets on campus and to also assist the requester in developing an appropriate space program to provide definition for the space required.
- (b) If SA determines that there is no existing space suitable to meet the space program, then SA shall engage the Office of Real Estate (RE). RE shall coordinate the solicitation of potential leased options in collaboration with the requestor.
- (c) RE will coordinate development of lease agreements, including review by the Office of the General Counsel (OGC).
- (d) All lease agreements where the university or a direct support organization is the tenant or licensee, and the expenditure is \$5,000,000 or greater and the term is five (5) years or longer shall be presented to the Board of Trustees for approval.
- (e) All lease agreements shall be signed in accordance with University Policy 2-107, Contract Signatory Authority. Direct support organizations shall follow their individual signatory authority policies.

(5) **Standard Lease Agreement Terms.** The University has certain standard lease agreement terms that it requires regardless of whether the university leases space from a third party or is the landlord. Any deviation from standard lease agreement terms used by the University requires OGC and RE review and approval.

(6) **Right-to-Terminate Clause Required.** A right-to-terminate clause must be a part of any lease where the University is lessee for a term exceeding one (1) fiscal year, with language as follows “The State of Florida’s performance and obligation to pay under this lease is contingent upon an annual appropriation by the legislature.” This clause is not required for direct support organization leases.

(7) Solicitation for Leased Space Greater than 5,000 Square Feet where the University is lessee (not applicable to direct support organizations).

- (a) As provided for in Section 255.25 F.S., a lease of space of 5,000 square feet or more in a privately owned building may not be entered into except upon advertisement for and receipt of competitive solicitations.
- (b) Solicitations shall be coordinated by and overseen through the RE.
- (c) Solicitation should set forth, but not be limited to, the following:

 - 1. Approximate net square footage required to be measured through a method of measurement used by the State University System as described in BOG regulation 17.001.
 - 2. General geographic area in which space must be located.
 - 3. Approximate floor plan of space needed showing partitioning and other physical requirements.
 - 4. Date space must be available.
 - 5. Name and address of location where specifications may be obtained.
 - 6. Terms and conditions of lease, including an option to renew if desired.
 - 7. Services and building amenities required, including parking, food service or retail offerings, and transportation/transit requirements, if any.
- (d) Bid specifications shall be drawn by the University in general terms. They shall afford each prospective lessor interested in submitting a proposal knowledge of the University's space requirements. They shall not be structured to favor any specific location or lessor.
- (e) Specifications shall also set forth that the prospective lessor will agree to:

 - 1. Enter into a lease agreement that incorporates specified terms, if applicable.
 - 2. Provide a scaled floor plan showing present configurations and measurements that equate to net rentable square footage offered.
 - 3. Provide Full Disclosure Statement(s) of Ownership.
 - 4. Validate the proposal for a minimum of forty-five (45) calendar days following the public bid/proposal opening date.
 - 5. If the space is 20,000 or more square feet in any one structure, provide a Life Cycle Analysis, with the understanding that the analysis must be acceptable before an award can be made as described in Section 255.254, F.S.
 - 6. Provide a rental rate per square foot per year that will include all renovations and other special requirements necessary to accommodate the program at the time of initial occupancy.
- (f) Lease proposals.

 - 1. Proposals shall specifically respond, but need not be limited, to each item included in the bid specifications.
 - 2. Each proposal shall be signed by the owner(s), corporate officers, or legal representative(s). The corporate, trade or partnership name must be either stamped, written, or typewritten, beside the actual signature(s). If the proposal is signed by an agent, written evidence of his authority must accompany the proposal. If a corporation foreign to the State of Florida is

the owner of the space to be leased, evidence of authority to conduct business in Florida shall be presented.

- (g) In any lease of space that is accomplished without competition, the individuals taking part in the development or selection of criteria for evaluation, in the evaluation, and in the award processes, shall attest in writing that they are independent of, and have no conflicting interest in, the entities evaluated and selected.
- (h) Competitive solicitations shall not be required when leasing educational facilities in the Central Florida Research Park, which is affiliated with the University of Central Florida. The Board of Trustees or designee must certify in writing that the leasing of such educational facilities is in the best interests of the University and that the exemption from competitive bid requirements is not detrimental to the state, pursuant to s. 1013.17, F.S.
- (i) Competitive solicitations shall not be required when leasing specialized research, medical or educational facilities, if the President or the President's designee certifies in writing that said facility is available from a single source and that compliance with competitive bid requirements would be detrimental to the University.
- (j) Competitive solicitations shall not be required in an emergency, when leasing space is necessary because an existing state-owned or leased space is destroyed or rendered uninhabitable by an act of God, fire, malicious destruction, or structural failure, or by legal action, upon certification by the President or his designee that other University controlled space is not available and the term of any such lease does not exceed 18 months, provided the University may modify the lease to extend it on month to month basis for up to 6 additional months to allow completion of such construction or renovations.
- (k) Competitive solicitations shall not be required when leasing facilities in a hospital or other medical facilities, such as a medical office building, with which the University is affiliated.

(8) **Renewal of Leases.** Competitive bids shall not be required for the renewal of a real estate lease where the renewal is provided for in the original lease and the original lease was competitively procured.

(9) **Code Compliance in Leased Space.**

- (a) Any privately-owned building or any part thereof to be leased to the University shall comply with those portions of Chapters 553 and 633, F.S., applicable to university buildings, including but not limited to fire safety, life safety, and disabled access standards.
- (b) The cost of all modifications or renovations made for the purpose of bringing leased property into compliance with applicable fire safety, life safety, and disabled access standards shall be borne by the lessor unless otherwise agreed in writing by the University or direct support organization.

~~(4) The University of Central Florida may lease real property for the use and benefit of approved programs of the University, according to this and other related regulations.~~

- ~~(2) Exceptions. These regulations shall not apply to leases for less than 21 consecutive days.~~
- ~~(3) Lease. A lease is an agreement containing the terms and conditions establishing the relationship of landlord and tenant for real property, including land and any improvement thereon. A lease agreement must be in writing and executed by an authorized university official.~~
- ~~(4) Approval of Leases. Before leasing a building or any part thereof and occupying such space, a lease agreement shall be approved by the University's attorney and the President or Vice President for Administration and Finance or, for leases up to \$100,000, by the Purchasing Director. All lease agreements in excess of \$1,000,000 shall be approved also by the Board of Trustees or designee.~~
- ~~(5) Nothing contained in these regulations shall be interpreted as circumventing any applicable statutory or regulatory requirements for life safety, construction, or disabled access.~~
- ~~(6) Standard Lease Agreement Terms. The University has certain standard lease agreement terms that it requires where the university leases space from a third party and where the university is the landlord. All lease agreements must have the prior approval of the Office of the General Counsel or shall be considered null and void.~~
- ~~(8) Right to Terminate Clause Required. A right to terminate clause shall be a part of any lease for a term exceeding one fiscal year and may not be omitted from any University lease. To comply with this provision, each lease for a term exceeding one fiscal year shall contain the following clause; "The State of Florida's performance and obligation to pay under this lease is contingent upon an annual appropriation by the legislature."~~
- ~~(9) Renewal of Leases. Any lease may contain an option to renew. Any such renewal shall be made according to the terms and conditions of the lease.~~
- ~~(10) Code Compliance in Leased Space.~~
- ~~(a) Any privately owned building or any part thereof to be leased to the University shall comply with those portions of Chapters 553 and 633, F.S., applicable to University buildings, including but not limited to fire safety, life safety and disabled access standards.~~

~~(b) Before construction or renovation of any state leased building is commenced, the University shall ascertain that the proposed construction or renovation plan complies with those applicable portions of Chapters 553 and 633, F.S.~~

~~(c) The cost of all modifications or renovations made for the purpose of bringing lease property into compliance with applicable fire safety, life safety, and disabled access standards shall be borne by the lessor unless otherwise agreed in writing by the University.~~

~~(11) Space Measurement. The measurement of leased space shall be based on the method of measurement used by the State University System for gross square feet as described in BOG Regulation 17.001.~~

Authority: BOG Regulations 1.001 and 17.001. History—Renumbered and Amended 8-4-82, 3-16-03; Renumbered and Amended 8-31-09, 7-5-16, 10-26-17, ____-22.

~~—— UCF 7.201 Real Property Transactions.~~

~~—— (1) The purpose of Part II of this Chapter is to address the university's acquisition (by lease or purchase), management or sale of real property.~~

~~—— (2) These regulations shall apply to all university real property transactions irrespective of source or destination of funds involved; except that transactions involving university direct support organizations as defined in Section 1004.28, F.S., and support funds (UCF Foundation, Alumni Association, etc.) shall be conducted as directed by the university president.~~

~~Authority: BOG Regulations 1.001 and 17.001. History New 8-4-82, Amended 3-16-03; Formerly 6C7-7.201, Amended 4-1-09, 8-31-09.~~

~~UCF 7.208 Leases of 5,000 Square Feet or More.~~

~~— (1) The University shall not enter into a lease for 5,000 square feet or more in a privately owned building, except upon advertisement for and receipt of competitive bids or proposals as determined by the University. The University shall comply with BOG Regulation 17.001 in the acceptance of bids or proposals for such leased space. The University shall not enter into, within any 12 month period, more than one lease for space of a total of 5,000 square feet or more in a privately owned facility or complex except upon the solicitation of competitive bids.~~

~~— (2) Exceptions to the competitive solicitation requirements.~~

~~— (a) This regulation shall not apply to renewal of leases when the lease contains renewal terms.~~

~~— (b) This regulation shall not apply to any lease having a term of less than 120 consecutive days for the purpose of securing the one time special use of the leased property.~~

~~— (c) This regulation shall not apply to any lease for nominal or no consideration. As used herein, “nominal consideration” means consideration for \$100.00 or less per year.~~

~~— (d) This regulation shall not apply to building or facilities of any size leased for the purpose of providing care and living space for persons.~~

~~— (e) The University may approve extensions of an existing lease of 5,000 square feet or more space if such extensions are determined to be in the best interest of the University, but in no case shall the total of such extensions exceed 11 months. If at the end of the 11th month the University still needs space, it shall be procured by competitive bid. However, if the University determines it is in the best interest to remain in space it currently occupies, the University may negotiate a replacement lease with the landlord if an independent market analysis demonstrates that the lease rates offered are within market rates for the space and the cost of the new lease does not exceed the cost of a comparable lease plus documented moving costs. The term of such replacement lease~~

~~may not exceed the base term of the expiring lease. The decision to extend a lease and to remain in space currently occupied shall be based on the following factors: the cost of moving, the disruption of activities that will occur as a result of moving, the location of the space, the suitability of the space, the proximity of services, the layout and type of space, and the quality of space involved.~~

~~—— (f) Specialized research, medical, or educational facilities excluding classrooms shall be exempt from the competitive bid requirements for leasing upon certification by the University President or designee that said facility is available from a single source and that compliance with competitive bid requirements would be detrimental to the University.~~

~~—— (g) Leases of educational facilities in the Central Florida Research Park, “with which the University is affiliated,” are exempt from the competitive solicitation requirements. The Board of Trustees or designee must certify in writing that the leasing of such educational facilities is in the best interests of the University and that the exemption from competitive bid requirements is not detrimental to the state, pursuant to s. 1013.17, F.S.~~

~~—— (h) Leases of space in the event of emergency space needs where existing state or University-owned or leased space is destroyed or rendered uninhabitable and the President or designee certifies that other University-controlled space is not available and the term of the lease does not exceed 18 months, provided the University may modify the lease to extend month to month for up to 6 additional months to allow completion of construction or renovation.~~

~~—— (i) Competitive solicitations shall not be required when leasing facilities in a hospital or other medical facility, such as a medical office building, with which the University is affiliated.~~

~~—— (3) The University shall not enter into a lease agreement for space of 5,000 square feet or more in a privately owned building when suitable space is available in a state-owned building located in the same geographic region unless it is determined to be in the best interest of the~~

~~University and the State, such as when the cost of the move from a private building to the state-owned building would be prohibitive. The University is exempt from these requirements when leasing space in the Central Florida Research Park.~~

~~*Authority: BOG Regulations 1.001 and 17.001. History Formerly 6C7-4.052(9)(a), (b), F.A.C., Renumbered 8-4-82, Amended 12-29-91, 3-16-03, 5-5-08; Formerly 6C7-7.208, Amended 8-31-09.*~~

~~UCF-7.209 Solicitation for Lease Space.~~

- ~~—— (1) Where required, the university will advertise for and receive competitive bids or proposals for the lease of space more than 5,000 square feet.~~
- ~~—— (2) A public solicitation for proposals will be widely publicized using newspaper advertisement and contact with owners, developers or realtors in the city or area in which space is desired.~~
- ~~—— (3) Solicitation should set forth, but not be limited to the following:~~
 - ~~—— (a) Approximate net square footage required to be measured in accordance Regulation UCF-7.203(11).~~
 - ~~—— (b) General area in which space must be located.~~
 - ~~—— (c) Approximate floor plan of space needed showing partitioning and other physical requirements.~~
 - ~~—— (d) Date space must be available.~~
 - ~~—— (e) Name and address of location where specifications may be obtained.~~
 - ~~—— (f) Terms and conditions of lease, including an option to renew if desired.~~
 - ~~—— (g) Services required, including parking, dining, and transportation requirements, if any.~~
- ~~—— (4) For all leases to be awarded based upon competitive bid, bid specifications shall be drawn by the University in general terms. They shall afford each prospective lessor, interested in submitting a proposal, knowledge of the University's space requirements. They shall not be structured to favor any specific location or lessor.~~
- ~~—— (5) Specifications shall also set forth that the prospective lessor will agree to:~~
 - ~~—— (a) Enter into a lease agreement that incorporates specified terms, if applicable.~~
 - ~~—— (b) Provide a scaled floor plan showing present configurations and measurements that equate to net rentable square footage offered.~~
 - ~~—— (c) Be an Equal Opportunity Employer.~~
 - ~~—— (d) Provide Full Disclosure Statement(s) of Ownership.~~
 - ~~—— (e) Validate the proposal for a minimum of forty five (45) days following the public bid/proposal opening date.~~

~~—— f) Provide a Life Cycle Analysis with proposal if the space is for 20,000 or more square feet in any one structure with the understanding that the analysis must be acceptable before an award can be made. (Section 255.254, F.S.)~~

~~—— g) Propose a rental rate per square foot per year that will include all renovations and other special requirements necessary to accommodate the program at the time of initial occupancy.~~

~~—— (6) Specifications may provide that sealed proposals are to be submitted, in a titled envelope, to a designated individual by a specified closing time and date, at which time all proposals will be publicly opened. —— (7) Lease Proposals.~~

~~—— (a) Proposals shall specifically respond, but need not be limited, to each item included in the specification.~~

~~—— (b) Each proposal shall be signed by the owner(s), corporate officers, or legal representative(s). The corporate, trade or partnership name must be either stamped, written or typewritten, beside the actual signature(s). If the proposal is signed by an agent, written evidence of his authority must accompany the proposal. If a corporation foreign to the State of Florida is the owner, evidence of authority to conduct business in Florida shall be presented.~~

~~—— (8) In any lease of space that is accomplished without competition, the individuals taking part in the development or selection of criteria for evaluation, in the evaluation, and in the award processes shall attest in writing that they are independent of, and have no conflicting interest in, the entities evaluated and selected.~~

~~*Authority: BOG Regulations 1.001 and 17.001. History Renumbered and Retitled 8-4-82, Amended 3-16-03; Renumbered and Amended 8-31-09.*~~