

**Committee on Governance Minutes**  
**University of Florida**  
**Board of Trustees**  
**March 4, 2004**

The University of Florida Board of Trustees Committee on Governance held its first meeting on March 4, 2004. In attendance were committee members Earl Powell, Carlos Alfonso, Mac McGriff, and Dianna Morgan. Also in attendance were Trustees Manny Fernandez, President Bernard Machen, and Pamela Bernard who serves as staff to the committee. Trustee Powell presided over the meeting.

After calling the meeting to order, Mr. Powell asked Mr. Fernandez to provide the committee with Mr. Fernandez' vision of the committee's responsibilities. Mr. Fernandez emphasized that best business practices call upon the Board to take steps to ensure appropriate governance, oversight and accountability of the University in accord with the concepts contained in the Sarbanes-Oxley Act (even though such provisions are not technically applicable to the Board). Mr. Fernandez suggested the Committee's responsibilities should include annually approving the charters for standing Board committees; periodically reviewing Board bylaws; initiating Board training, particularly for new Board members; recommending individuals for Board of Trustees and Board of Governors' membership; evaluating the Board's performance and communicating that information to the full Board; recommending to the Board annual and longer-term goals for the University President; conducting a yearly evaluation of the President; and periodically reviewing overall Board of Trustees governance. Mr. Fernandez suggested the Committee on Governance should coordinate certain tasks such as the review of direct support and other affiliated organizations with other Board committees.

Trustee Mac McGriff moved for approval of the charter for the Committee on Governance. The motion was adopted.

Mr. Powell then asked Mr. Fernandez to brief the committee on the information Mr. Fernandez gathered recently concerning Board effectiveness. Mr. Fernandez summarized for committee members the results of his survey of fellow Board members, noting that the Trustees' overall evaluation of Board effectiveness was higher than normal, but that the responses were widespread with some Board members feeling highly positive about Board effectiveness and others not feeling as positive. Mr. Fernandez suggested the Board has had a good start and suggested to the Committee on Governance that it will be able to improve Board effectiveness.

Mr. Fernandez then turned the committee's attention to the strategic goals of the University of Florida and noted that formulating specific action steps to advance those goals would better position the Committee on Governance to address another important duty of the committee – recommending to the Board the President's annual and longer-term goals. As to annual goals, Mr. Fernandez presented for the committee's consideration the recommended 2004 goals for the President that he and Dr. Machen developed:

***Goal 1 – Faculty***

- Deliver a base salary program for 2004-05.
- Launch a faculty excellence program.

Both goals will be evaluated in December of 2004.

***Goal 2 – Research***

- Increase total grants and awards from 450 in 2003 to 490 in 2004.

***Goal 3 – Donors and Development***

- Design the University of Florida Capital Campaign.

To be evaluated in December 2004.

***Goal 4 – Other***

- Centralize financial and investment resource management at the University of Florida.
- Position the administration for highest performance.

To be evaluated in December 2004.

Mr. McGriff moved to adopt as a recommendation to the full Board the President's 2004 performance goals. After discussion, the motion was adopted. Mr. Fernandez noted that the President's three-year goals should be a subject for future discussion by the committee.

Mr. Powell took up the issue of prioritizing the various tasks of the committee. The committee discussed the need to begin its review of direct support and other affiliated organizations to ensure appropriate governance and oversight. The committee reached consensus that the two priority tasks for the committee are the systematic review of various DSOs and affiliated corporations and working with President Machen to define the President's 2007 performance goals.

The meeting was adjourned.