

MINUTES
COMMITTEE ON GOVERNANCE
DECEMBER 10, 2009

The Governance Committee met on December 10, 2009. All Committee members were present.

The Committee first reviewed and unanimously approved the Minutes from the September 10, 2009 Committee meeting.

The first action item was that the Committee voted to recommend to the Board that it ratify the collective bargaining contract with Graduate Assistants United. Vice President for Human Resource Services Paula Fussell summarized the contract changes from the previous contract. The new contract provides for increased stipends for Graduate Assistants for the next two years. Also, the University has agreed to provide additional office space for their use. After discussion, the recommendation was unanimously approved by the Committee.

The second action item was that the Committee voted to recommend to the Board that it approve an amendment to President Machen's employment contract which is beneficial to the University. The resolution and a summary were provided to the Board in advance. The Committee discussed that President Machen proposed to eliminate the contract's bonus payments, with a smaller annual retirement contribution being provided. If he ends up serving as a faculty member after his presidency, he will be able to earn the amounts he is forgoing over a longer period and likely when the economy is stronger. The Board extended Dr. Machen's contract last year and is making a few amendments to reflect that certain payments to Dr. Machen are conditioned on his later serving the University as a faculty member for a sufficient period. Each of the Committee members recognized President Machen's accomplishments and praised his leadership efforts in difficult times as well as his willingness to help the University by proposing the change. The recommendation was unanimously approved by the Committee.

There were three discussions items. The first was the development of the Board's goals for President Machen. President Machen noted that he and Chair McGriff think that the general process that has been employed with an outside consultant is working. President Machen distributed to the Committee a self-assessment which he had prepared to be used by the Board and its consultant as part of the goal-setting process. President Machen advised the Committee that he would be submitting his proposed goals to the Board and suggested that they be discussed at the Board's retreat where there would be more time for discussion.

President Machen then gave the Committee a brief update on the budget reductions. He noted that approximately 75% of the reductions previously approved by the Board had been made and the remaining reductions are in process. President Machen believes that with the stimulus payments and increased state revenue being forecast by Tallahassee there should not be a need for further reductions this year or next. However, the issue of how the state will fund expenditures after the stimulus payments cease is going to be very complex.

The next discussion item was an update on the UF Health Science Center and Shands. President Machen outlined the plans for creation of the Shands holding company previously approved by the Board and discussed how the Shands hospitals and potential future additional affiliates would report to the holding company. President Machen noted that the new structure will provide for better reporting and responsibility for each of the Shands entities, as well as a good mechanism for future alliances with other health care providers.

The Committee then met in executive session to receive an update from the collective bargaining team after which the meeting was adjourned.