



**UNIVERSITY OF FLORIDA BOARD OF TRUSTEES
COMMITTEE ON GOVERNANCE
COMMITTEE MINUTES**

June 4, 2015

**Warrington Conference Room, Emerson Alumni Hall
University of Florida, Gainesville, Florida**

Time Convened: 9:03 a.m. EDT

Time Adjourned: 9:34 a.m. EDT

1.0 Verification of Quorum

Committee Chair James Heavener asked Vice President, General Counsel and University Secretary Jamie Lewis Keith to verify a quorum. Ms. Keith confirmed a quorum with all members present.

Committee Members present:

James W. Heavener (Chair), David L. Brandon, Susan M. Cameron, Christopher T. Corr, Steven M. Scott, David M. Thomas, Anita G. Zucker.

Others Present:

W. Kent Fuchs, President; Winfred Phillips, Executive Chief of Staff; Joseph Glover, Provost and Senior Vice President for Academic Affairs; Charles Lane, Senior Vice President and Chief Operating Officer; David Guzik, Senior Vice President for Health Affairs and President of UF Health; Jack Payne, Senior Vice President for Agriculture and Natural Resources; Jamie Lewis Keith, Vice President, General Counsel and University Secretary; Mike Ford, Senior University Counsel; Janine Sikes, Assistant Vice President for Media Relations and Public Affairs; Melissa Orth, Senior Director, Government Relations; Becky Holt, Executive Assistant, other members of the University community and members of the media.

2.0 Call to Order and Welcome

Committee Chair Heavener called the meeting of the Committee on Governance to order at 9:03 a.m. EDT, welcoming all present.

3.0 Review and Approval of Minutes

The Committee Chair asked for a motion to approve the minutes of the April 2, 2015 committee meeting, which was made by Trustee Brandon and Seconded by Trustee Cameron. The

Committee Chair asked for further discussion, after which he asked for all in favor of the motion and any opposed, and the motion was approved unanimously.

4.0 Action Items

Committee Chair Heavener turned the Committee's attention to the Action Items and asked Vice President, General Counsel and University Secretary Jamie Keith to present the first item.

GV1. Amendment of Internal Operating Memorandum 01-1

General Counsel Keith stated that as reported at the April Board meeting, the Committee determined that it is important to have a pool of both current and former Trustees as potential directors of UF's most substantial--Category One--affiliates, in order to support the most valuable contributions to the success of these affiliates and the most effective UF oversight. The Committee recognized that some of our Category One affiliates would particularly benefit from specialized expertise and a significant time commitment, and that the mix of expertise and time capacity reflected on UF's Board necessarily changes over time depending on the Board's composition. The Committee members indicated continued interest these points.

Chair Heavener asked for a motion to approve Action Item GV1, Amendment of Internal Operating Memorandum 01-1, which was made by Trustee Cameron and Seconded by Trustee Zucker. The Committee Chair asked for any further discussion, of which there was none, and then he asked for all in favor of the motion and any opposed, and the motion was approved unanimously.

Chair Heavener asked President Fuchs and Board Chair Scott to address GV2. President Fuchs began by asking General Counsel Keith to provide a brief context.

GV2. President's Fiscal Year 2016 Performance Goals

General Counsel Keith explained that the President's Contract calls for the President and Board Chair annually--on a Fiscal Year Schedule beginning with Fiscal Year 2016--to propose short-term and long-term performance goals for the President, including those that will advance the University toward top-10 public AAU university stature. Margins for 100% and 75% achievement of the goals are to be included, allowing for the proposal of real goals in a fair manner.

President Fuchs noted that the goals he and Chair Scott propose have been provided to the Committee and all members of the Board. He indicated that the goals concern significant strategic subjects, including research growth, faculty, endowment, the graduate program, diversity, and support of "one-UF." It is also noteworthy that the first goal is the completion of the UF-wide goal-setting process and strategy, which is underway with a faculty-driven Goal-Setting Task Force. Once the UF-wide goals are established, the Committee will review the President's long-term goals to ensure their alignment with the UF-wide goals. General Counsel Keith explained that performance against Fiscal Year 2016 goals will be assessed by the Governance Committee and reported to the Board in June 2016. The assessment will be based on the data from the last closed Fiscal Year as well as projections for the about-to-end Fiscal Year for those metrics with good data available at the time.

Board Chair Scott gave his full support of the goals and indicated that the President will build on them going forward. The goals will evolve over time as they are not static and have to respond to progress made and changes in some factors that are beyond UF's or the President's control. It is important to recognize that to really advance to a top 10 or better public AAU University stature that UF has to achieve some goals that have a 10-year trajectory and depend on building our endowment for faculty support. It will be hard work but thoughtful plans for advancement are meaningful and critical in this process.

The Committee discussed the goals. Board Vice Chair Thomas suggested, and the Committee strongly supported, a minor clarifying amendment to the implementation section of the proposed goals to reflect that any goal is met at the 75% or 100% level if it is substantially met and the goals in GV2 on the Consent Agenda include the word "substantially" before "met" each place where located in the implementation section. (This will be incorporated in the goals document.)

Chair Heavener asked for a motion to approve Action Item GV2, President's Fiscal Year 2016 Performance Goals, which was made by Trustee Zucker and Seconded by Trustee Brandon. The Committee Chair asked for any further discussion, of which there was none, and then he asked for all in favor of the motion and any opposed, and the motion was approved unanimously.

GV3. Emergency Contracting Authority of the Board Chair

Board Vice Chair Thomas indicated that the Board as a whole (but not individual Trustees) has contracting authority for UF and acts as a board to delegate that authority to UF officials. Generally, if an outside expert is needed to advise the Board or to advise administrative areas, an authorized senior administrator negotiates and executes the contract. As a matter of good governance, which gives the Board Chair, acting in an executive capacity and after notifying the Vice Chair, the authority to contract with expert consultants in the unlikely event that the relevant senior administrators, who would otherwise handle the contract, have unmanageable conflicts and the Board needs a legal, financial or other expert advisor. The need for this authority is unlikely to arise, the circumstances would be rare, and we do not have anything specific in mind--but it is a prudent, good governance practice to have that authority in place if the need were ever to arise. The Action Item retains the line between management by senior administration and governance by the Board. The Committee noted that it is sensible to prepare in advance for an emergency should one arise.

Chair Heavener asked for a motion to approve Action Item GV3, Emergency Contracting Authority of the Board Chair, which was made by Trustee Cameron and Seconded by Trustee Zucker. The Committee Chair asked for any further discussion, of which there was none, and then he asked for all in favor of the motion and any opposed, and the motion was approved unanimously.

5.0 Discussion/Informational Items

Committee Chair Heavener turned the Committee's attention to the discussion items and asked President Fuchs and Board Chair Scott to address the first item.

5.1 Trustee Development: Qualifications and Needs

President Fuchs discussed the importance of having the right mix of leaders from inside and outside of Florida with a broad range of expertise on the Board for the advancement of UF and reviewed a document on desired qualifications for Trustees.

Board Chair Scott indicated that it is important to encourage interest by the best talent from inside and outside Florida who can contribute the full range of expertise needed by the Board. It is also important that all communications on behalf of UF with the Board of Governors' leadership and with the Governor's Office about Trustee appointments be managed by the Board Chair with the President to avoid causing confusion at the Board of Governors and in the Governor's Office from different messages as to whom UF supports as a Trustee. Otherwise, UF will lose important opportunities to recruit the best mix of Trustees for the University.

It was noted that the Governor and Board of Governors appoint UF's Trustees, but the Board Chair and President are asked for input by the BOG, and sometimes by the Governor. To take any such opportunity, the Committee discussed and reviewed favorably a range of expertise, contacts, experiences, and qualities that contribute to having the right mix of leaders on UF's Board to advance the University in its top 10 and other goals. UF is very fortunate to have a talented and dedicated Board and seeks to maximize the opportunity to ensure that we continue to have this important resource.

5.2 Proposed Cycle for Committee Review of Category 1 Affiliates

General Counsel Keith noted that in December 2014, the Committee concluded 18 months of meetings with UF's Category One affiliates' Chief Executive Officers. The purpose of the meetings was to understand the alignment of these organizations' missions with UF's mission and to confirm that good governance and enterprise risk management practices are in place. This was done—not out of any specific concern, and not to diminish the governance role of each organization's own board—but rather as part of the UF Board's fiduciary oversight duty. While helpful, the Committee determined that these meetings need not occur every year and asked President Fuchs and General Counsel Keith for a proposed two-to-three-year staggered meetings schedule. The Committee favorably reviewed the proposal, which is in the Board's materials and will result in each Category One affiliate's Chief Executive Officer meeting with the Committee on a two- or three- year cycle.

6.0 New Business

Committee Chair Heavener asked if there was any new business.

Ms. Keith updated the committee on the Supreme Court Sovereign Immunity case and that we will be reviewing our DSO's to make sure we are in compliance.

Ms. Keith also reminded the Committee that the Trustees' guests at lunch are the Goal Setting Task Force.

7.0 Adjourn

With no further business to conduct, Committee Chair Heavener asked for a motion to adjourn, which was made by Trustee Cameron, and a second, which was made by Trustee Zucker. The Chair asked for all in favor and any opposed. The motion was approved unanimously and the University of Florida Committee on Governance adjourned at 9:34 a.m. EDT.



**UNIVERSITY OF FLORIDA BOARD OF TRUSTEES
COMMITTEE ON GOVERNANCE
COMMITTEE MINUTES**

April 2, 2015

**Warrington Conference Room, Emerson Alumni Hall
University of Florida, Gainesville, Florida**

Time Convened: 10:32 a.m. EDT

Time Adjourned: 11:47 a.m. EDT

1.0 Verification of Quorum

Acting Committee Chair Susan Cameron asked Vice President, General Counsel and University Secretary Jamie Lewis Keith to verify a quorum. Ms. Keith confirmed a quorum with all members present, other than Committee Chair Heavener.

Committee Members present:

Susan M. Cameron (Acting Chair), David L. Brandon, Christopher T. Corr, Steven M. Scott, David M. Thomas, Anita G. Zucker. Committee Chair James W. Heavener was unable to attend.

Others Present:

Trustee Paul Davenport; Kent Fuchs, President; Winfred Phillips, Executive Chief of Staff; Joseph Glover, Provost and Senior Vice President for Academic Affairs; Charles Lane, Senior Vice President and Chief Operating Officer; David Guzick, Senior Vice President for Health Affairs and President of UF Health; Paula Fussell, Vice President for Human Resource Services; Jamie Lewis Keith, Vice President, General Counsel and University Secretary; William Connellan, Provost's Office--Director/lead labor negotiator; Kim Baxley, Director, Employee Relations, Human Resource Services; Mike Ford, Senior University Counsel; Ryan Fuller, Senior University Counsel; Janine Sikes, Assistant Vice President for Media Relations and Public Affairs; Melissa Orth, Senior Director, Government Relations; Becky Holt, Executive Assistant, other members of the University community and members of the media.

2.0 Call to Order and Welcome

Acting Committee Chair Cameron called the meeting of the Committee on Governance to order at 10:32 a.m. EDT, welcoming all present, recognizing new Trustee and Committee member Anita Zucker, and new Committee members Chris Corr and David Brandon.

3.0 Review and Approval of Minutes

None.

4.0 Action Items

Acting Committee Chair Cameron turned the Committee's attention to Action Item GV1, Amendment to Internal Operating Memorandum 01-1, and asked Vice President, General Counsel and University Secretary Jamie Keith to present it.

Ms. Keith explained that Internal Operating Memorandum 01-1 categorizes the University's affiliated private tax-exempt organizations according to the level of governance oversight warranted by the scope, scale, complexity and exposures of their activities and assets. The amendment changes the affiliate status of Shands Jacksonville Medical Center, Inc. (UF's closely affiliated academic hospital in Jacksonville) and its parent company, Shands Jacksonville Healthcare, Inc., from Category Three to a Category One, requiring a UF Trustee to serve on their governing boards. As Senior Vice President for Health Affairs and UF Health President David Guzick reported to the Committee in his governance presentation in December 2014, the governing boards of these Jacksonville Shands entities are controlled by the University –no longer by the Shands academic hospital in Gainesville--and the nature of their activities warrants this level of UF oversight. As authorized by the Board, the President appoints the UF Board's and President's representatives to the affiliated organization boards, in consultation with the UF Board Chair.

In the Committee's discussion, the members noted the importance of the best expertise and adequate time commitment for Categories 1 and 2 affiliate boards and concluded it would be appropriate to enlist former Trustees to serve on some Category 1 and 2 affiliates to best serve the needs of affiliates. This will be the subject of future Governance Committee and then Board consideration and action.

Acting Chair Cameron asked for a motion to approve Action Item GV1, Amendment of Internal Operating Memorandum 01-1, which was made by Trustee Corr and Seconded by Trustee Thomas. The Acting Chair asked for any further discussion, of which there was none, and then she asked for all in favor of the motion and any opposed, and the motion was approved unanimously.

5.0 Discussion/Informational Items

Acting Committee Chair Susan Cameron turned the Committee's attention to the discussion items and asked Ms. Jamie Keith to introduce the first two items.

5.1 Affiliate Governance Review Follow-up and Principles

Ms. Keith presented slides that were available to all Trustees in the Board materials. The slides provide an overview of the good governance controls and standards that are in place for UF oversight of closely affiliated private entities whose exclusive or primary purposes are to support various aspects of UF's mission.

These entities have their own boards and the UF Board is not seeking to micro-manage or impinge on the authority of these boards. The UF Board wants to appropriately ensure that good governance, enterprise risk identification and management practices, fiscal policies and leadership are in place at affiliates that are important to UF's mission and reputation.

Under the oversight approach in place since 2007, a UF Trustee, the President or a designee serves on each affiliate's board, and all affiliates' bylaws must include certain required UF President approvals and affiliate board practices and controls. Former Board Chair Mac McGriff led the initiative to put these standards in place.

Recognizing that it is important to periodically review governance oversight and standards for affiliates, in 2014, the Governance Committee received governance surveys and presentations from the chief executives of the nine Category 1 UF affiliates with the most substantial operations and assets. These are:

- the University of Florida Foundation, Inc.,
- the University Athletic Association, Inc.,
- Gator Boosters, Inc.,
- the University of Florida Development Corporation,
- the University of Florida Research Foundation, Inc.,
- the University of Florida Investment Corporation,
- Shands Teaching Hospital and Clinics, Inc., our Gainesville academic hospital,
- and in anticipation of their change in affiliate status, Shands Jacksonville Medical Center, Inc. and its parent Shands Jacksonville Healthcare, Inc.

President Fuchs emphasized that the review of enhanced governance standards for affiliates was initiated before his leadership of UF began, and do not reflect a concern about the current actions of UF's affiliates. In a private institution, he noted, the functions of UF's affiliates would be part of the university, overseen by the President and reported to the Board. President Fuchs pointed out that it is wise and a good practice to well-position the UF Board's governance oversight of affiliates for the future.

The Committee concluded that:

- President Fuchs and General Counsel Keith should propose to the Committee a rotating cycle for key affiliates to make presentations to the UF Board's Governance Committee on a two or three year schedule; there is no need for all to present annually.
- At Board Chair Steve Scott's suggestion, which was endorsed by the Committee, bylaws and governance controls and standards that apply to affiliates will be reviewed by the Governance Committee every two years.
- The Committee endorsed a planned pilot project with the Foundation and the Research Foundation to identify "priority actions" of key affiliate boards that would trigger some enhanced oversight. The affiliates are specifically created to support UF's mission and General Counsel Keith explained that, in principle, these priority actions would target decisions affecting major resources and interests of the University above to-be-

established thresholds. The Committee asked President Fuchs and General Counsel Keith to use the pilot work to develop some appropriate enhanced governance standards and parameters, including those that will require the UF President or designee as a member of the affiliate board to vote in favor of the action for it to be effective. These will be reported back to the Committee for endorsement.

- Chair Scott noted that it might be appropriate to establish some board meeting attendance standards.

5.2 Update: Affiliated Organizations Insurance Review

Senior Counsel Mike Ford provided an update on a project to review the insurance needs of all of the UF affiliates—other than the Shands hospitals, the Athletic Association and the Foundation, which already have periodic expert reviews of their insurance needs.

Initial findings have been discussed with all affiliates and additional information has been elicited from them. The General Counsel's office and outside insurance consultant—who does not write or receive a commission for others writing insurance—are collaborating with the chief executives of the affiliates and related UF Vice Presidents to evaluate operational/risk management approaches, statutory protections including possible sovereign immunity, and any gaps to determine final recommendations. Final recommendations will be made to the President and then to the Governance Committee Chair. Affiliates will coordinate to use economies of scale to secure any needed insurance. The General Counsel's office is aiming to complete the project over the summer.

5.3 Employee Climate and AAU Student Surveys

President Fuchs then briefly addressed the Association of American University (AAU) student survey on sexual assault and related issues, of which the Board has been informed. This survey of a sample of UF students and students at 26 other AAU institutions, is being conducted by AAU and its contractor. UF will benefit by receiving a report on results, expected late in August or after. President Fuchs and Human Resource Services Vice President Paula Fussell also introduced a plan for a future employee climate survey. Acting Committee Chair Susan Cameron and Board Vice Chair David Thomas affirmed the importance of climate surveys to support effective organizations. President Fuchs noted that if climate issues are found in some areas, the surveys will help UF know how best to focus our efforts to achieve the most positive impact.

6.0 Executive Session on Collective Bargaining

At 11:30 a.m. EDT, Acting Committee Chair Susan Cameron announced that the Committee would go into an executive session to discuss collective bargaining and would then resume in open session to address any new business and adjourn. She reconvened the Committee in open session at 11:40 a.m. EDT.

7.0 New Business

Acting Committee Chair Susan Cameron asked if there was any new business.

Ms. Keith reminded the Committee that the Trustees' guests at lunch are emerging UF leaders from academic and administrative departments who are participating in the UF Academy leadership development program. Trustee hosts are at the lunch and Governance Committee members are invited to join them at the adjournment of the meeting.

8.0 Adjourn

Acting Committee Chair Susan Cameron asked for a motion to adjourn, which was made by Trustee Scott, and a second, which was made by Trustee Thomas. The Acting Chair asked for all in favor and any opposed. The motion was approved unanimously and the University of Florida Committee on Governance adjourned at 11:47 a.m. EDT.



**UNIVERSITY OF FLORIDA BOARD OF TRUSTEES'
COMMITTEE ON GOVERNANCE
COMMITTEE ACTION ITEM GV1
June 4, 2015**

SUBJECT: Amendment of Internal Operating Memorandum 01-1

BACKGROUND INFORMATION

The Board has authorized the President to make appointments to the governing boards of affiliated entities, which he does in consultation with the Board Chair. Internal Operating Memorandum 01-1 requires a current Trustee to be appointed to the board of each Category One affiliate. At the April 2015 meeting of the Governance Committee, the Committee determined that giving the President the flexibility to appoint Trustees or former Trustees to the boards of Category One affiliates would ensure that individuals are appointed who can make the time commitment and provide the specialized expertise needed for the best UF Board oversight of each affiliate, furthering good governance and support of UF's interests. Appointing some former Trustees to these boards also encourages proven leaders to remain actively involved in support of the University.

PROPOSED COMMITTEE ACTION

Approve for recommendation to the full Board of Trustees for its approval on the Consent Agenda an amendment to Board Internal Operating Memorandum 01-1 to provide that a Trustee (as currently required) "or former Trustee" (as is added by the amendment) shall serve on the governing board of each Category One affiliate.

SIGNIFICANT POLICY ISSUES FOR COMMITTEE TO CONSIDER

None. Board of Governors approval is not required.

Supporting Documentation Included: [See attached Internal Operating Memorandum 01-1, lined to show the proposed amendment.](#)

Submitted by: Jamie Lewis Keith, Vice President, General Counsel and University Secretary

UNIVERSITY OF FLORIDA INTERNAL OPERATING MEMORANDUM

Number: 01-1

Subject: Service of Trustees on Direct Support Organizations, Health Services Support Organizations, and Other Affiliated Corporate Boards

Date: September 7, 2001. Revised March 17, 2009; June 11, 2010; March 17, 2011; September 21, 2012; April 3, 2015; [June 4, 2015](#).

The University of Florida Board of Trustees, in consultation with the University President, determines whether Trustees or non-Trustee representatives of the Board of Trustees should serve on the boards of University of Florida Direct Support Organizations, Health Services Support Organizations or other affiliated corporations.¹ Although Trustees need not always serve as directors on University-affiliated boards, the nature and scope of certain boards warrants Board of Trustees participation. University representation, including Trustee service on such boards, shall meet the following minimum oversight requirements (which have been the intent and application of this IOM since its inception):

1. University of Florida Direct Support Organizations, Health Services Support Organizations or other affiliated boards that should include a University of Florida Trustee [or former Trustee](#)² as a member.

University of Florida Foundation, Inc.
The University Athletic Association, Inc.
Gator Boosters, Inc.
University of Florida Research Foundation, Inc.
Shands Teaching Hospitals and Clinics, Inc.
Shands Healthcare, Inc.³

¹ The BOT previously delegated authority to the University President generally to make all appointments to affiliates' boards. (Affiliates include Direct Support Organizations, Health Services Support Organizations, as well as non-DSO affiliates.) The BOT reserved the right to approve *creation* of all affiliates and, as always if desired, to act in any particular case. [BOT Resolutions R07-37 (part I. O and II. P and the accompanying summary chart) and R08-44 (giving UFICO the same treatment as other DSOs).] Florida 2003 Statutes, 1004.28(3) and 1004.29(4), authorize--but do not require--the Chair of the Board of Trustees to appoint a representative to each DSO or HSSO board of directors and executive committee. (These statutes do not apply to *non*-DSO affiliates.) Consequently, to implement this IOM, the BOT approves the categorization of each affiliate as a Category 1, 2 or 3 affiliate and the President generally makes all appointments to *non*-DSO affiliate boards---as well as to DSO and HSSO boards if the Chair opts to give effect to the BOT Resolutions, rather than exercising the Chair's discretionary statutory authority to make an appointment.

² [Added by BOT Action Agenda Item GV1 on June 4, 2015: Appointments of Former Trustees made to Category One Affiliates prior to this change are ratified by the Board's action.](#)

³ Creation of new non-DSO affiliate approved by BOT R09-50, January 14, 2009. Pursuant to BOT R09-61, September 11, 2009, creation will be done at an appropriate time determined by the UF President.

Shands Jacksonville Healthcare, Inc.⁴
Shands Jacksonville Medical Center, Inc.³
University of Florida Investment Corporation⁵
University of Florida Development Corporation⁶

2. University of Florida Direct Support Organizations, Health Services Support Organizations or other affiliated boards that should include a designated non-Trustee representative of the University of Florida Board of Trustees as a member.

Citrus Research and Development Foundation, Inc.⁷
Citrus Research and Education Foundation, Inc.
Florida 4-H Club Foundation, Inc.
Florida Foundation Seed Producers, Inc.
GatorCare Health Management Corporation⁸
Southwest Florida Research and Education Foundation, Inc.
Treasure Coast Agricultural Research Foundation, Inc.
University of Florida Leadership and Education Foundation, Inc.
Florida Clinical Practice Association, Inc. (College of Medicine)
University of Florida Jacksonville Physicians, Inc.
University of Florida Jacksonville Healthcare, Inc.
University of Florida Alumni Association, Inc.
The University of Florida Law Center Association, Inc.
UF Historic St. Augustine, Inc.⁹

3. Other boards that should include a designee of the University President as a member with a report of such designees to the Board of Trustees.

University of Florida College of Nursing Faculty Practice Association, Inc.
University of Florida College of Pharmacy Faculty Practice Association, Inc.
Faculty Associates, Inc. (College of Dentistry)
Florida Health Professions Association, Inc.
University of Florida Health Care Education Insurance Company, Inc.
Florida Veterinary Medicine Faculty Association, Inc.⁹
Faculty Clinic, Inc.⁹
University Village Apartments, Inc.⁹

History: New 09-07-2001. Revised 03-17-2009; 06-11-2010; 03-17-2011; 09-21-2012; - 04-03-2015

⁴ Recategorized pursuant to BOT Action Agenda Item GV1, April 3, 2015.

⁵ Categorized pursuant to BOT Action Agenda Item 5.13, June 14, 2005

⁶ DSO approved by BOT Action Agenda Item GV1, March 17, 2011.

⁷ DSO approved by BOT Action Agenda Item GV2, March 17, 2009.

⁸ DSO approved by BOT Action Agenda Item GV , September 21, 2012

⁹ DSO approved by BOT Action Agenda Item GV1, June 11, 2010



**UNIVERSITY OF FLORIDA BOARD OF TRUSTEES
COMMITTEE ON GOVERNANCE
COMMITTEE ACTION ITEM GV2
June 4, 2015**

SUBJECT: President's Fiscal Year 2016 Performance Goals

BACKGROUND INFORMATION

The Board-approved President's Contract requires the President and Board Chair to propose to the Governance Committee, the Governance Committee to then review and recommend, and the Board to approve each year, numerical short-term and long-term performance goals for the President. These goals are to specify margins within which the goals are deemed met at the 100% and 75% levels. The Contract also provides that, each year, the President and Board Chair are to review the President's performance against the Board-approved short-term goals and the President's progress against the Board-approved long-term goals; and the Governance Committee is then to confirm the accuracy of that annual assessment and make a report to the Board.

One short-term goal that is required by the Contract is the creation of University-wide short-term and long-term strategic goals, which are to be developed by the President in collaboration with the 16 Colleges and other main UF units, reviewed by the Faculty Senate, and approved by the Board, within a timeframe determined by the Governance Committee in consultation with the President. That goal-setting process is underway, guided by a President-appointed task force of faculty, with a target for completion by June 30, 2016. The President's Fiscal Year 2016 performance goals should be initially established at the June 2015 Board meeting because the Fiscal Year begins on July 1, 2015. However, it will be important to ensure that the long-term goals established as the President's Fiscal Year 2016 performance goals align with the UF-wide strategic goals. This will require a review by the Governance Committee of the President's long-term performance goals once the UF-wide goals are approved.

PROPOSED COMMITTEE ACTION

Finally approve as the target deadline for the President's development of University-wide short- and long-term strategic goals, any date determined by the President that is on or before June 30, 2016.

Approve for recommendation to the full Board of Trustees for its approval on the Consent Agenda the attached President's Fiscal Year 2016 Performance Goals, with the following commitment and requirement. Upon the Board's approval of University-wide goals currently being developed in a process guided by a faculty task force, the Governance Committee will review the long-term goals that are included in the President's Fiscal Year 2016 goals being approved at this time to ensure the President's long-term goals align with the University-wide strategic goals and, upon recommendation of the Governance Committee, any necessary adjustment in the President's long-term goals will be approved by the Board.

SIGNIFICANT POLICY ISSUES FOR COMMITTEE TO CONSIDER

None. Board of Governors approval is not required.

Supporting Documentation Included: President's Fiscal Year 2016 Performance Goals (*to be provided*)

Submitted by: Steven M. Scott, Chair of the Board of Trustees
W. Kent Fuchs, President

FY2016 Performance Goals for UF President W. Kent Fuchs

Goal	FY16 Assessment-Specific Goal Deemed 100% Achieved if
UF Goal Setting	
(1) Establish UF-wide long-term and short-term strategic goals.	Goal setting is accomplished by 6/30/16.
Research	
(2) Increase overall research awards and expenditures relative to peer AAU/national research universities.	Plan is created by 6/30/16 that is reasonably expected to escalate total and federal research growth toward long-term research goals for top 10 AAU public university stature and take initial steps to implement the plan.
Faculty Quality	
(3) Complete preeminent faculty hiring.	100 total faculty hired in the preeminence program from FY14 through FY16.
Endowment/Resources	
(4) Increase the endowment commensurate with a top 10 public AAU university and as part of the anticipated ~\$3B capital campaign.	Endowment reaches \$1.59B by 6/30/16.

Goal	FY16 Assessment-Specific Goal Deemed 100% Achieved if
Strategic Decision Making (Health Affairs and Diversity/Inclusion)	
(5) Build stature of UF Health in a manner aligned with the UF mission and strengthening all of UF, including UF Health, and “one-UF”.	UF President demonstrates a commitment to be personally engaged in the development and success of the plan and alignment of mission that are reasonably expected to achieve this goal.
(6) Development of an overall diversity and inclusion strategy, with organization structure, accountability, and assessment.	(a) UF participates in the AAU 2015 student climate survey and UF reports key findings of this survey and takes initial steps to respond in FY16; (b) UF issues a faculty/staff climate/diversity survey in FY16.
Graduate Program Quality and Stature	
(7) Enhance stature of graduate programs and graduate students commensurate with a top 10 public AAU institution.	Plan is created by 6/30/16 and initial steps taken to implement the plan.

Implementation:

For President’s 100% performance in achievement of goals, six of the seven goals are substantially met; for 75% achievement five of the seven goals are substantially met.

Evaluation of President’s FY16 performance will be completed by the June 2016 Board meeting, based on FY15 data (the last closed year) and an estimate/projection of those FY16 results for which adequate data are available at that time for purposes of estimating.



**UNIVERSITY OF FLORIDA COMMITTEE ON GOVERNANCE
COMMITTEE ACTION ITEM GV3
June 4, 2015**

SUBJECT: Emergency Contracting Authority of the Board Chair

BACKGROUND INFORMATION

The Board has recognized that contracting authority as part of administering a large and complex research university such as UF is a necessary executive function, which has been delegated to and through the President. However, it is also possible, although unlikely and rare, that there could be a situation where the Board Chair would need to directly retain an outside expert to represent the Board because the President, the General Counsel and other members of senior administration, who would usually enter into the contract for advisory services to the Board, are unable to do so or have unmanageable conflicts of interests in connection with doing so. If such a circumstance were to arise, the Board Chair would want to act in a manner that does not disrupt the orderly operation of the university or the appropriate separation of management and Board roles, while also addressing the matter requiring expert advice to the Board.

PROPOSED COMMITTEE ACTION

The Committee on Governance is asked to approve for recommendation to the University of Florida Board of Trustees on its Consent Agenda, the granting of authority to any individual serving as the Chair of the Board of Trustees, acting in an executive capacity and after notifying the Vice Chair of the Board, to retain and enter into any contract for necessary expert advisory services to the Board, if the normal University processes for engaging such services do not suffice due to unusual circumstances. Where possible under the circumstances, this would be done in collaboration with an appropriate senior administrator to support orderly administration of the University and governance by the Board.

SIGNIFICANT POLICY ISSUES FOR COMMITTEE TO CONSIDER

None. Board of Governors approval is not required.

Submitted by: David M. Thomas, Vice Chair
W. Kent Fuchs, President

Proposed Cycle for Meetings With the UF Governance Committee--Category One Affiliates

Name of Affiliate	November/December	March	June
University of Florida Foundation, Inc.		2016 2019 2022	
University Athletic Association, Inc. Gator Boosters, Inc. (with UAA)			2016 2018 2020
University of Florida Development Corporation			2016 2019 2022
University of Florida Investment Corporation		2016 2019 2022	
Shands Teaching Hospital and Clinics, Inc. (Gainesville) Shands Jacksonville Medical Center, Inc. and its parent Shands Jacksonville Healthcare, Inc.	2015 2017 2019		