



**COMMITTEE ON FINANCE, STRATEGIC PLANNING
AND PERFORMANCE METRICS**

Meeting Minutes

March 29, 2019

**President's Room 215B, Emerson Alumni Hall,
University of Florida, Gainesville, FL**

Time Convened: 10:05 a.m.

Time Adjourned: 11:10 a.m.

Committee and Board members present:

Thomas G. Kuntz (Committee Chair), David L. Brandon, Ian M. Green, James W. Heavener, Morteza Hosseini (Board Chair), Leonard H. Johnson, Daniel T. O'Keefe, Rahul Patel, Marsha D. Powers, Robert G. Stern, Katherine Vogel Anderson and 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; Charlie Lane, Senior Vice President and Chief Operating Officer; Amy Hass, Vice President and General Counsel; Elias Eldayrie, Vice President and Chief Information Officer; Zina Evans, Vice President for Enrollment Management and Associate Provost; Antonio Farias, Chief Diversity Officer and Senior Advisor to the President; Jodi Gentry, Vice President for Human Resources; Edward Jimenez, Chief Executive Officer for UF Health Shands; Mark Kaplan, Vice President for Government and Community Relations; Michael McKee, Vice President and Chief Financial Officer; Thomas Mitchell, Vice President for Advancement; David Nelson, Interim Senior Vice President for Health Affairs and President of UF Health, David Norton, Vice President for Research; David Parrott, Vice President for Student Affairs; Nancy Paton, Vice President for Strategic Communications and Marketing; Jack Payne, Senior Vice President for Agriculture and Natural Resources; Curtis Reynolds, Vice President for Business Affairs and other members of the University community.

1.0 Verification of Quorum

Vice President Liaison Mike McKee called the roll and verified a quorum with all members present.

2.0 Call to Order and Welcome

Committee Chair Kuntz called the meeting to order and welcomed everyone.

3.0 Review and Approval of Minutes

Committee Chair Kuntz asked for a motion to approve the minutes of the December 6, 2018 and March 11, 2019 Committee meetings, which was made by Trustee Hosseini, and a second, which was made by Trustee Patel. The Committee Chair asked for further discussion, and then all in favor of the motion and any opposed, and the motion was approved unanimously.

4.0 Action Item

FSPPM1 Revision to IOM 06-15-Investment Policy for Funds in Excess of Those Required for the Benefit of the University of Florida

After discussion item 5.1, UF Investment Program and after review of the UF Investment Policy by Vice President McKee, Committee Chair Tom Kuntz asked for a motion to approve Action Item FSPPM1 – Revision to University Investment Policy. The motion was made by Trustee O’Keefe, and a second by Trustee Heavener. Motion was approved unanimously.

5.0 Discussion Items

5.1 UF Investment Program

Vice President McKee briefly reviewed the UF Investment Program along with the suggested revisions to the Investment Policy establishing greater UFICO involvement and amending the current portfolio mix. Committee Chair Kuntz confirmed that the suggested changes will reduce risk while still meeting similar returns. Committee Chair Kuntz then asked for a motion to approve. Following the approval of Action Item FSPPM1, a discussion regarding increased governance of the Investment Program was prompted by Committee Chair Kuntz. Committee Chair Kuntz reiterated that discussions on governance will continue and once finalized, will be presented to the Board for approval.

5.2 UF Enterprise Balance Sheet and Receipts and Disbursements

Vice President McKee introduced Assistant Vice President and University Controller Alan West to provide overview of reports. Alan West gave a brief overview of the report for each UF Enterprise and discussed changes including high-level notes. Board Chair Hosseini stated that the reports were excellent. Trustee Heavener stated that the committee did a great job creating transparency and that this was the first complete look of all UF Enterprises that the Board has seen. Committee Chair Kuntz encouraged everyone to look at the reports and ask questions. He noted that the information is useful as it gives insight to the University’s financial position.

5.3-5.6 Due to the time constraints, these discussion items were mentioned briefly but not reviewed.

5.7 Carryforward Update

Committee Chair Kuntz noted that BOG is now requiring full Board review of carryforward report. Vice President McKee briefly went through the report and explained each section. He noted that UF has made a considerable effort to use carryforward funds through raises, infrastructure projects, and capital renovations. Vice President McKee also mentioned that another \$14M would be encumbered by June 30, 2019 and that the University is making good progress and good use of the funds. He stated we will continue to monitor the use of the money to ensure it is being appropriately spent.

Committee Chair Kuntz questioned the amount committed to Faculty Research and Public Service Support. Provost Glover clarified that these funds are often used to support various faculty activities including research but are not start-up funds because the faculty members are not new. He used the example of the Fall Moonshots where money was provided to jumpstart the project and noted that it was an investment to the enterprise. Trustee Rosenberg suggested the report be turned into talking points. Vice President Paton and the Marketing Committee with work towards this.

President Fuchs commented that the University as an institution is overcommitted financially; we are working as fast as we can towards achieving the Faculty 500 initiative, and we are committed to transforming the look and feel of campus for students and their overall safety – reiterating the need for additional funds. He also mentioned that UF moved up from 9 to 8, but faculty and staff were not provided an increase in base pay. He stated that this year we need to increase base pay, and that we are investing in our future as a top institution but are overcommitted and need additional resources.

5.8 PCard Use and Controls Update

Vice President McKee briefly went over the PCard program and stated that the University has reduced the total number of PCards across campus along with reducing limits on existing PCards.

5.9 Performance Metrics Update

Provost Glover began the discussion by going through the University's metrics. Committee Chair Kuntz mentioned the 4-year graduation rate of 67.1%, and asked if it could be addressed/explained. Provost Glover indicated that the variation in time to graduate plays a big part in the overall percentage. For example, engineering majors take longer to graduate due to the programs curriculum, additional credit requirements, and internships. He said that when students, faculty and admins from Engineering were questioned about the time it took to graduate from the program, all referred to it as being a 5-year program. UF has a large population of students in Engineering (15-20%), and therefore 4-year graduation rates are lower. Provost Glover also mentioned that FSU has the best 4-year graduation rate in the state but only had about 5% in Engineering.

President Fuchs added that when compared to Georgia Tech, tied with UF at 8, UF's 4-year graduation rate is twice as high. He stated that this is due to the number of engineering students. Board Chair Hosseini stated that a 6-year graduation rate is in use this year, and will affect UF's ranking positively.

5.10 Faculty Hiring Report

Vice President Gentry gave an overview of the Faculty Hiring Report along with the changes that were made since the last meeting. Changes include information on faculty hires and departures per college/unit along with information on why faculty leave. Discussion followed regarding student/faculty ratios. Discussion followed regarding employee departures. VP Gentry mentioned that UFHR has launched a number of initiatives to improve hiring and onboarding and reiterated that many losses were due to family needs or faculty spouses not being able to find a job here or in the area. She also stated that UFHR is focusing their efforts on retention and are working to redesign paid leave along with improving employees experience at UF. Trustee Rosenberg requested that when the report is presented again, it include demographics so we can get a sense of faculty retiring soon. Vice President Gentry said that she would add the demographic and retirement information to the report along with retirement indicators. Provost Glover indicated that it would helpful to see demographics per unit rather than UF as a whole – some colleges have a more senior faculty base which could be worrisome. Vice President Gentry stated that she will add this information as well.

5.11 UFICO Update

Chief Investment Officer for UFICO William Reeser updated the Committee on the status of UF Endowment portfolio financials.

4.0 New Business

There was no new business to discuss.

5.0 Adjourn

Committee Chair Kuntz adjourned the meeting at 11:10 a.m.