1.0 Call to Order and Welcome
Committee Chair, Steven M. Scott called the meeting to order at 10:35 a.m. EST.

Members present were:
Steven M. Scott (Chair), C. David Brown, II, Carolyn K. Roberts, Juliet M. Roulhac, David M. Thomas. Trustees Susan M. Cameron and Marshall M. Criser, III were unable to attend.

Others present were:
Trustees Marc Heft, Bill Heavener and Jason Rosenberg; President Bernie Machen; Joseph Glover, Provost and Senior Vice President; Paula Fussell, Vice President for Human Resource Services; Jamie Lewis Keith, Vice President and General Counsel; Michael Ford, Senior University Counsel; Ryan Fuller, Associate University Counsel; Janine Sikes, Assistant Vice President for Media Relations and Public Affairs; Jamal Sowell, Special Assistant to the President; and other members of the Cabinet and University community, the public and the media.

2.0 Verification of Quorum
After a roll call, a quorum was confirmed, with all members present, except for Trustees Cameron and Criser.

3.0 Review and Approval of Minutes
The Committee Chair asked for a motion to approve the minutes of the September 19, 2013 meeting, which was made by Trustee Roulhac and Seconded by Trustee Thomas. The 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 Executive Session
The Chair noted that the Committee would be asked to ratify some routine amendments to the Collective Bargaining Agreement with the Police Benevolent Association as an Action Item, and asked whether any members of the Committee wished to have an Executive Session to discuss collective bargaining. There was consensus of no need for an Executive Session.

The Committee considered the following Action Items:

5.0 Action Items

GV1. Amendments to Collective Bargaining Agreement Between the University of Florida Board of Trustees (BOT) and the Police Benevolent Association (PBA)

The Chair asked Vice President for Human Resource Services, Paula Fussell, to Summarize GV1--changes to the Police Benevolent Association’s Collective Bargaining Agreement.

Ms. Fussell thanked Kevin Clark, the Chief Negotiator for the PBA Union for his work and then summarized the main changes. These are:

- **Article 9**: requiring individuals to apply for any desired promotional opportunity rather than automatically considering all individuals who pass the promotional exam for every position;
- **Article 18**: implementing the 2013-14 pay raise;
- **Article 23**: reimbursing 120, rather than 60, credit hours at Santa Fe College, but requiring courses to advance toward a degree in a declared major in order for tuition to be reimbursed.

After a brief discussion, the Chair asked for a motion to approve GV1—Ratifying the Amendments to the Collective Bargaining Agreement between the University of Florida Board of Trustees and the Police Benevolent Association-- for the Board’s approval on the Consent Agenda, which was made by Trustee Thomas and Seconded by Trustee Brown. Chair Scott asked for any discussion, and then, all in favor—any opposed—to the motion, which passed unanimously. Chair Scott added that he is pleased that, after five years of fiscal austerity, the financial picture is more optimistic and the University is able to provide for staff advancement.

GV4. Mid-Term Vacancy in Board Vice Chair

Board Chair Brown noted that Trustee Criser had resigned from the University’s Board of Trustees, effective January 1, 2014, to assume the role of Chancellor of the Florida State University System. This creates a vacancy in the Board Vice Chair position.

The Committee Chair asked Vice President and General Counsel Jamie Lewis Keith to summarize the Action Item and Resolution for the election of a successor Vice Chair. Ms. Keith uploaded GV4 and Resolution R13-126 and gave an overview of the resolution after explaining that the Board’s custom is for the Governance Committee to recommend a Trustee to fill the
The Trustee elected to succeed Trustee Criser as Vice Chair will serve from the effective date of the vacancy on January 1, 2014 through June 30, 2016—which is the period specified in the Bylaws in the event of a mid-term vacancy at that time.

Trustee Rosenberg asked why the appointment was not only for the unexpired term of the previous Vice Chair. Ms. Keith explained that this question had been robustly discussed and decided by the Board in 2012 when we had a mid-term vacancy in our Board Chair and reflects a policy to provide for stability, consistency and certainty in leadership--while also providing for a close to regular two-year term and avoiding a three or longer- year term. Ms. Keith also noted that--whatever the term of the Vice Chair-- he or she may be, but is not required to be, elected as Chair at the regular election; there is no bar to this.

The Committee Chair asked for a motion and a second to elect a Vice Chair of the Board under GV4 and R13-126 for the Board’s approval on the Consent Agenda.

Board Chair Brown made a motion to approve GV4 and Resolution R13-126 with Trustee Scott as Vice Chair. In so doing, Chair Brown noted that Trustee Scott is one of the present longest serving Trustees, having been appointed to a second term. He brings a wealth of experience and success from the private sector as well as having valuable experience with UF’s and other universities’ governance and health affairs endeavors. Chair Brown also recognized the generous financial support of the University by Trustee Scott, which is one of the important roles of board members. Trustee Roberts seconded the motion. The Committee members expressed a consensus of support for the election of Trustee Scott.

As a consensus had already been expressed, Chair Scott asked for any further discussion and then for all in favor—and any opposed—to the motion, which passed unanimously. Trustee Scott thanked the Committee for their vote of support and said it is an honor to be put forward for election and that he is looking forward to the opportunities and challenges the University will have in the next five years, particularly the selection of a new President to lead the University and the initiatives to bring the University to top-ten status for public research universities.

The Committee next considered agenda Item GV2 - Conforming Amendments to University of Florida Board of Trustees Bylaws

GV2. Conforming Amendments to the Board’s Bylaws

The Chair asked Ms. Keith to summarize GV2, Conforming Amendments to the Board’s Bylaws. Ms. Keith explained that the amendments are to Section 6.5 of the Bylaws—Appearances Before the Board:

- A bit more detail is provided about how to request an appearance and how appearances are approved and conducted—which is helpful to those making a request--- and conforms with the Board’s longstanding practices and applicable law.
The Board has welcomed public comment on matters on the agenda, and has followed the time limits and other conventions specified to both accommodate comment and complete the business of meetings.

After a brief discussion, Chair Scott asked for a motion to approve GV2—Conforming Amendments to the Board’s Bylaws-- for the Board’s approval on the Consent Agenda, which was made by Trustee Brown and seconded by Trustee Rouhac. He asked for any discussion—and then, all in favor—any opposed—to the motion, which passed unanimously.

GV3. President’s Strategic Priority Goals

Chair Scott next turned to GV3—the President’s Strategic Priority Goals-- and noted:

- President Machen’s excellent accomplishments over his 10 years leading the University were reviewed in detail at the June 2013 Committee and Board meetings.
- At this time, the Committee is being asked to endorse President Machen’s goals for the remainder of his presidency.
- At the September 2013 Board Retreat, President Machen presented a comparison of UF to other Association of American University-public research universities under a number of metrics, and outlined his plan to focus on (1) number of faculty awards and (2) number of faculty who are members of the National Academies--as areas where UF should be able to enhance its performance, and (3) the six-year graduation rate and (4) percentage of students in the top 10% of their graduating high school class--as additional areas where there is potential to enhance UF’s performance.
- The Board reviewed this plan favorably.
- The Committee is being asked to endorse Board Chair Brown’s and President Machen’s plan for the President to work on making progress in these areas as his focus and goals for the remainder of his Presidency.
- President Machen commented that, with a fixed term remaining for him, the focus on these goals, all of which relate to the University’s preeminence initiative-- is the best focus for his efforts.

Chair Scott asked for a motion to approve GV3—the President’s Strategic Priority Goals-- for the Board’s approval on the Consent Agenda, which was made by Trustee Brown and seconded by Trustee Roberts. He asked for any discussion—then, all in favor—any opposed—to the motion, which passed unanimously.

The following Discussion/Informational Items were addressed by the Committee:

6.0 Discussion/Informational Items

Chair Scott asked Ms. Keith to address the discussion items.

6.1—Update on Category 1 DSO Presentations.

Ms. Keith noted that the Governance Committee had endorsed a plan to have Category 1 Affiliates meet with the Governance Committee at its March or June meeting, to see
whether or not this will enhance oversight and be a good use of the Committee’s time—or whether the existing oversight and controls are adequate.

- The CEO of the Affiliate, accompanied by the UF Trustee serving on the Affiliate Board, will make the presentation.
- Ms. Keith uploaded a draft form of Presentation Format/Outline for use by the Affiliates so that there is some consistency and structure to the presentations.

A discussion ensued during which President Machen said he thinks the Board is taking a good and significant step forward to provide for Board oversight of the affiliated organizations. Trustee Scott seconded Dr. Machen’s thoughts on this point. Trustee Roberts said that she also supports this initiative but cautioned that the Board avoid micro-management of the activities of well-run affiliates. Trustee Scott noted that the responsibility of the Board should not be the operations of the affiliates and added that he thinks it would be beneficial to have an outside expert in board governance make a presentation to the Board at the February retreat on Trustee oversight and responsibilities. Trustee Thomas suggested that each organization include measurable goals in its presentation of short and long-term objectives, so that the organization can periodically report back. Ms. Keith said the presentation outline will be modified to reflect this point. Trustee Roulhac suggested that the presentation regarding Audit Committees be modified to include information on the Committee’s composition, how frequently audits are conducted, and a report on how the organization is responding to any recurring concerns. Ms. Keith noted that the affiliated entity audits are reviewed by the Board’s Audit Committee, and the presentation outline will be modified to reflect Trustee Roulhac’s suggestions. Trustee Brown closed the discussion by noting that he thinks this initiative is an important step forward in the Board’s oversight. He emphasized that affiliated organizations have significant impacts on the University’s brand identification and marketing initiatives.

6.2—Update on Affiliate Insurance Review.

Ms. Keith asked Senior Counsel Michael Ford, to update the Committee on the Review of Affiliate Insurance Coverage. Mr. Ford noted:

- We issued a survey to each Affiliate, with a December 15th return date, asking for information about the types and amounts of coverage. We will follow up with any Affiliates for which additional information may be needed.
- Randy Jenkins, the Director of the Self Insurance Program which provides UF’s and Shands’ medical liability coverage and has deep and broad knowledge of the insurance industry, will assist us in reviewing the responses to determine whether there are any gaps in type or amount of coverage.
- The staff that deals with insurance for the Athletic Association, the Foundation and Shands will also be asked to participate on our internal task force.
- Trustee Thomas asked what benchmark information would be utilized. Mr. Ford said that our initial consultation will be with Randy Jenkins due to his extensive experience. With Randy Jenkins’ assistance, we will determine whether any outside advice is needed.
• Florida statutory protections for voluntary service on charitable corporation boards and sovereign immunity will be factors on needed insurance.
• We are aiming to have a report to the Committee by June.

7.0 New Business
The Committee did not discuss any New Business at the meeting.

8.0 Adjournment
After asking for any further discussion and hearing none, Chair Scott asked for a motion to adjourn, which was made by Trustee Thomas and a second which was made by Trustee Roulhac, and, with no further discussion desired, the motion was passed unanimously and the Governance Committee meeting was adjourned at 11:17 a.m. EST.
SUBJECT: Amendments to Collective Bargaining Agreement between the University of Florida Board of Trustees (BOT) and the Police Benevolent Association (PBA)

BACKGROUND INFORMATION

The University and the Police Benevolent Association (PBA) have tentatively agreed to the following amendments to Articles 9, 18, and 23 of the current Collective Bargaining Agreement between the University of Florida Board of Trustees (UFBOT) and the PBA. These amendments have been ratified by PBA membership and are effective upon ratification by the UFBOT. A complete copy of the proposed new contract is available at http://hr.ufl.edu/labor-relations/forms/pba_mou.pdf; the following is a summary of certain key changes being proposed.

Article 9 Promotions and Assignments
An amendment changes wording in the contract to require that employees passing the promotional exam submit an application each time they want to be considered for a position. Previously, employees were automatically considered for each position for which their promotional exam score made them eligible and they were not required to submit an application.

Article 18 Wages
An amendment changes the pay in the Collective Bargaining Agreement to reflect this year’s negotiated increase. For Fiscal Year 2013-2014, effective October 1, 2013, bargaining unit employees earning less than $40,000 will receive a $1,400 salary increase; and employees that earn $40,000 or more will receive a $1,000 increase to their base salary. Employees employed for less than 5 years of continuous university service will receive a 3% salary increase, and employees with 5 or more years of continuous university service will receive a 5% salary increase. The $1,400 and $1,000 increases will be applied to the salary amount first and the 3% and 5% increases will be calculated on the new amount.
**Article 23 Employment Status**

An amendment allows employees to take up to 120 hours of college credits at Santa Fe College. The amendment specifically requires any classes that are to be reimbursed be only those that advance the employee toward the requirement of a declared degree major. Previously, employees were limited to 60 credit hours and advancement toward a degree was not required as a stipulation of the courses taken.

**PROPOSED COMMITTEE ACTION**

The Committee on Governance is asked to ratify the amendments to Articles 9, 18, and 23 of the Collective Bargaining Agreement with the PBA, as summarized above, and other amendments consistent with them, as shown in the amended contract at the above-referenced link, for recommendation to the Board of Trustees for approval on the Consent Agenda.

**SIGNIFICANT POLICY ISSUES FOR COMMITTEE TO CONSIDER**

Board of Governors approval is not required.

Supporting Documentation Included: See the above-referenced link to the Human Resource Services website for a complete copy of the proposed amendments to the contract.

Submitted by: Paula Varnes Fussell, Vice President Human Resource Services
SUBJECT: Conforming Amendments to University of Florida Board of Trustees Bylaws

BACKGROUND INFORMATION

Amendments to Section 6.5 (Appearances Before the Board) of the University of Florida Board of Trustees Bylaws are being proposed to conform this Section with existing requirements and longstanding practices.

PROPOSED COMMITTEE ACTION

The Committee on Governance is asked to approve the attached, lined conforming amendments to Section 6.5 (Appearances Before the Board) of the University of Florida Board of Trustees Bylaws for recommendation to the Board of Trustees for approval on the Consent Agenda. Any applicable implementing policy on processing or handling requests for appearances will also apply.

SIGNIFICANT POLICY ISSUES FOR COMMITTEE TO CONSIDER

Board of Governors approval is not required.

Supporting Documentation Included:  See attached lined changes.

Submitted by: Jamie Lewis Keith, Vice President and General Counsel
UF Board of Trustees Bylaws -- Conforming Amendments
The following amendments to the Bylaws, which are lined, are proposed to conform with existing requirements and practices:

Article VI MEETINGS

Section 6.5 APPEARANCES BEFORE THE BOARD – Individuals or representatives of groups who desire to appear before the Board regarding any item being considered on a meeting agenda of the Board of Trustees must submit their requests to the Assistant Corporate Secretary, 123 Tigert Hall, University of Florida, Gainesville, Florida 32611 or trustees@ufl.edu, specifying the agenda item about which they wish to speak. Such a request, along with the requester’s name and contact information, any group or faction represented, and any supporting documentation, must be submitted at least three (3) working days prior to the start of the meeting. The President, in consultation with the Board Chair and complying with law, will determine whether the item will be heard and when (at what meeting and when on the agenda) it will be heard, and may require a representative for a group or faction if many members request to be heard. There will be a no more than 5 minute time limit on any presentation; the aggregate time for all public comments at a meeting need not exceed 15 minutes. The Board Chair or President may decline to hear any matter determined by the President and Chair not to relate to a particular agenda item or that is outside the Board’s jurisdiction, or because it is not practicable for a particular meeting.
SUBJECT: President’s Strategic Priority Goals

BACKGROUND INFORMATION
President Machen’s contract calls for him, in consultation with the Board Chair, to propose goals and undertake a self-evaluation annually. At its June 2013 meeting, President Machen’s accomplishments over his nearly 10-years of service to UF were presented and considered by the Board in connection with its unanimous action to extend his contract. At the September 2013 Retreat, the Board favorably reviewed the Strategic Priorities for the University that President Machen proposed to advance UF toward top 10 public research university status and on which he thinks progress is feasible. These priorities are increasing or enhancing: (1) Faculty who are National Academy Members, (2) Faculty Awards, and (3) Research Expenditures and, potentially, (4) the Six-Year Graduation Rate and (5) Students in the Top 10% of their Graduating Class. President Machen plans to work on making progress on these Strategic Priorities as his focus and goals for the remainder of his presidency.

PROPOSED COMMITTEE ACTION
The Committee on Governance is asked to endorse President Machen’s plan to work on making progress on the above-referenced University Strategic Priority Goals, as his focus and goals for the remainder of his presidency, and to recommend to the Board of Trustees that it endorse this plan on the Consent Agenda.

SIGNIFICANT POLICY ISSUES FOR COMMITTEE TO CONSIDER

Board of Governors approval is not required.

Supporting Documentation Included: None

Submitted by: C. David Brown, II, Chair, Board of Trustees and J. Bernard Machen, President, University of Florida
SUBJECT: Mid-Term Vacancy in Board Vice Chair

BACKGROUND INFORMATION

Trustee Marshall M. Criser, III, has served the University of Florida and its Board of Trustees with great distinction and has recently been elected by the Florida Board of Governors to serve as the Chancellor of the State University System of Florida. Trustee Criser’s duties as Chancellor will begin on January 6, 2014. In order to fulfill that commitment, Mr. Criser has delivered his letter of resignation from the University of Florida Board of Trustees, with his resignation from the University Board and the resulting vacancy in the Vice Chair position he holds being effective on January 1, 2014. Under the University Board’s Bylaws, the Board elects a successor Vice Chair of the Board to fill this mid-term vacancy and the successor’s term of service begins on the effective date of the vacancy (January 1, 2014) and continues through June 30, 2016. With the Board having a scheduled regular meeting at this time, there is a good opportunity to act to fill the vacancy.

PROPOSED COMMITTEE ACTION

The Committee on Governance is asked to approve Resolution R13-126 to address the mid-term vacancy in the Board Vice Chair for recommendation to the Board of Trustees for approval on the Consent Agenda.

SIGNIFICANT POLICY ISSUES FOR COMMITTEE TO CONSIDER

Board of Governors approval is not required.

Supporting Documentation Included: See attached Resolution R13-126.

Submitted by: C. David Brown, II, Chair, Board of Trustees
UNIVERSITY OF FLORIDA BOARD OF TRUSTEES
RESOLUTION

Number: R13-126
Subject: Mid-Term Vacancy in Board Vice Chair
Date: December 6, 2013

At its duly called and noticed meeting on December 6, 2013, and pursuant to the Board’s Bylaws, the University of Florida Board of Trustees (Board) adopted the following Resolutions to timely address a mid-term vacancy in the position of the Vice Chair of the Board, which vacancy is effective on January 1, 2014 and arises from Board Vice Chair Marshall M. Criser, III being elected by the Florida Board of Governors to serve as Chancellor of the State University System beginning on January 6, 2014:

(A) RESOLVED: That, having received Trustee Criser’s letter of resignation from the Board, with his resignation being effective on January 1, 2014, and as the Board has a regularly scheduled meeting, the Board has determined to act at this time to fill the resulting vacancy in the Vice Chair position as provided in Resolution (B); and

(B) RESOLVED: That Trustee Steven M. Scott be and is hereby elected to serve as Vice Chair of the Board, for a term beginning on the effective date of Trustee Criser’s resignation (January 1, 2014) and continuing through June 30, 2016 or, if later, until the Board elects a successor for a two-year term.

Adopted this 6th day of December, 2013, by the University of Florida Board of Trustees.

J. Bernard Machen, President
and Corporate Secretary
UNIVERSITY OF FLORIDA BOARD OF TRUSTEES, COMMITTEE ON GOVERNANCE

Category 1 Affiliated Organization* Presentations at the March or June Meeting

1. Name and Mission of the Organization, Including Scope and Nature of Major Activities

2. Governance
   Directors (Number, Manner of Appointment/Election, Ex Officio Seats)
   Key Management Personnel, including CEO
   Audit Committee

4. Relationship of Activities to UF’s Mission of Teaching, Research and Service

5. Finances—Overview of:
   Budgeted Revenue and Expenses
   Principal Sources of Income
   Principal Expenditures (Relationship to UF Mission)
   How Investments Are Managed

6. Notable Accomplishments Over the Past 5 Years

7. Major Strengths and Opportunities and Awareness of Challenges--and Related Strategies/Objectives
   For the Next Year
   For the Next 5 Years

*University of Florida Foundation, Inc.; University of Florida Investment Corporation; The University Athletic Association, Inc./Gator Boosters, Inc. (joint presentation); Shands Teaching Hospital and Clinics Inc./Shands Jacksonville Medical Center, Inc. (joint presentation); University of Florida Research Foundation, Inc.; University of Florida Development Corporation.