



COMMITTEE ON GOVERNANCE, GOVERNMENT RELATIONS AND INTERNAL AFFAIRS

Meeting Minutes

Telephone Conference Call

July 17, 2019

123 Tigert Hall, University of Florida, Gainesville, FL

Time Convened: 9:01 a.m.

Time Adjourned: 10:02 a.m.

Committee and Board Members Present:

Rahul Patel (Chair), David Brandon, Bill Heavener, Morteza Hosseini, Leonard Johnson, Robert Stern, Ray Thomas, and Anita Zucker.

Others present were:

Vice President and General Counsel Amy Hass, Vice President Mark Kaplan, Executive Chief of Staff Winfred Phillips, and other members of the University community.

1.0 Roll Call

Board staff called the roll and notes those Trustees that were in attendance.

2.0 Call to Order and Welcome

Committee Chair Patel welcomed everyone in attendance and stated the purpose of the conference call was to discuss updates and business for the September 5, 2019 Board of Trustees Retreat.

3.0 Discussion Items

Trustee Patel reviewed the following discussion items noting there will be another committee pre-meeting next month to allow all time to review the information and provide input.

3.1 DSO and Affiliate Bylaws Update

- Governance Committee set the goal of having all of our Direct Support Organizations (DSO) and Affiliate organizations update their bylaws to memorialize adherence to the Governance Standards by end of the fiscal year (June 30).
- All have done so, with the exception of Shands Gainesville. We will be addressing questions from a couple of their board members this summer and communicate our expectation that their bylaws be updated at their next board meeting on September 25.
- We will report back on the Shands Gainesville bylaws once those have been updated. Board Chair Hosseini emphasized the need for this DSO to vote one way or the other. Chair Patel added that he and General Counsel have explained the Governance Standards in detail but there are a few on that DSO board that do not agree.

- Gator Boosters has made some additional amendments to its Bylaws to re-organize the reporting of its Executive Director to the Athletics Director; as well as to amend the composition of the committee that selects the Executive Director.

3.2 Naming Policy Update

- Chair Patel updated all that Vice President for Advancement Tom Mitchell has reviewed the draft policy and guidelines with the Foundation Executive Board and the senior development representatives of all colleges and units. He is in the process of collecting feedback and drafting possible additional/alternative language based on suggestions made by the full BOT and Advancement Committee. He has updated a working timeline with the above towards having the policy ready for BOT action at the Sept. 5th board meeting.
- Board Chair Hosseini clarified that in accordance with the policy as chair he should be conferred with before it is put on an agenda for the full board to review. It is ultimately the board who should approve naming of buildings and the like. The language in the policy should reflect the entire board's engagement. Chair Patel noted the request.
- Trustee Zucker, Chair of the Advancement Committee, added she was glad this policy was being reviewed now as trustee involvement is critical. She thanked Chair Patel, and all involved for their hard work.
- Chair Patel noted that this is a national issue that is in the spotlight at other universities and a very timely topic.

3.3 Legislative Recommendations Memo/Updated Governance Standards

- Vice President and General Counsel Hass reviewed the legislative memo document themes which include capital projects and budget as well as source of funds. The other theme is auditing. Hass noted the importance of adding expenditures from the capital budget be routinely audited. In addition, there needs to be adjustments to the document to be sure we are in compliance with state statute.
- In June, we presented a memo to the BOT that summarizes new requirements from the 2019 Florida legislative session and includes recommendations from the legislature for best practices.
- In the last column, we provided notes and information about how UF proposed to carry out those recommendations and practices. This was a result of several phone calls with UF administrators (CFO, Controller, GC, Government Relations and Business Affairs).
- Board Chair Hosseini noted in the memo that language should be added that the General Counsel's Office should review all audits along with overseeing what material is included in training materials to make sure the university is in compliance and the information shared is correct.
- We have updated our current Governance Standards in redline to reflect both new requirements and our suggestions for enhanced practices. (The committee has this document in its packet as 3.3 Governance Standards Updated.)
- We are continuing to work with the BOG as they put together processes and guidance under the new legislation, and we will continue to update the committee and Board as we make progress on that front. Chair Patel reiterated how seriously this board takes the recommendations and all have been adopted into the Governance Standards.

- We will ask the Board to consider the current updates and approve those at our September meeting.
- Board Chair Hosseini offered recommendations for a few items in the Governance Standards document. The document will be updated and recirculated to the committee to review at the August pre-meeting.

3.4 IFAS Citrus DSO Update

- Chair Patel asked Vice President and General Counsel Amy Hass to provide an update to the committee regarding conversations with leadership from the Citrus Research Development Foundation (CRDF) since our last committee meeting in June.
- Hass reminded the committee the DSOs goal with the university and state is to find a cure for citrus disease. The work they are doing is very important, good and professional. She said they had a very productive meeting on June 26th where she, David Norton and Mark Kaplan met with Rick Dantzler, Chief Operating Officer, to discuss governance requirements and to propose a path forward. At this meeting, the Citrus DSO committed to compliance with our governance standards and we have since drafted an MOU to work through some of the other key issues as we look for a potential legislative clarification in the next year.
- Hass also met with the Citrus DSO board of directors on Tuesday in Lake Alfred to hear any remaining issues and answer questions. It was a productive meeting and the Citrus board is in agreement on the path forward with one remaining question about IDC charges.
- The MOU defines the working relationship between UF and CDRF as we work through a path forward to conduct important research to combat citrus greening and to supplement, but not conflict with or be substituted for, the UF Governance Standards, and is in effect until the end of this fiscal year (June 30, 2020).
- Going forward, CRDF will submit its research contracts to the UF Office of Vice President of Research for review and approval. This review will be for the purpose of proper oversight and ensuring that the research agreements comply with University accounting standards, deliverables, etc., but shall not be for the purpose of substituting UF judgment of scientific merit in place of CRDF's scientific advisory board. CDRF will continue to award research primarily to UF.
- CRDF will change to its by-laws to confirm its compliance with the UF Governance Standards.
- The Parties shall pursue a legislative change, if/as needed, during the 2020 regular legislative session that clarifies in the Florida statutes that CRDF has the authority, in certain instances, to fund research outside the University of Florida, so long as it is for the benefit of the State of Florida.
- So long as the parties are moving towards the goal of clarifying in the statutes that CRDF has the authority to fund research outside UF, the BOT will not decertify CRDF as a DSO.
- If we are not able to achieve needed changes or should the relationship not continue to move forward, CRDF will be decertified as a DSO; however, UF will provide CRDF with a reasonable wind-down period to accommodate an orderly separation.

- Trustee Zucker said we are on a good path and it is important we review everything via the proper channels. Chair Patel added the initial concern was that the DSO was not in compliance with the law, but they have now found a path forward.

3.5 Enterprise Cash/Investment Project Update

- There was a 4-hour meeting on June 20th with stakeholders from UF and the large DSOs and Affiliates. The group had a good discussion that resulted in follow up items.
- The group will reconvene with Vice President and Chief Financial Officer Mike McKee in August to review follow up information and discuss strategies for enterprise cash investments.
- Board Chair Hosseini said thank you to Trustee Kuntz and others participating. This project will help save the university millions of dollars all due to the governance rules that cover the entire university which is the One UF Vision. Chair Patel thanked Vice President and General Counsel Hass and team for their excellent work. Trustees Zucker and Heavener also shared their thanks. Trustee Heavener also thanked Board Chair Hosseini for his care and attention to all board matters.

4.0 New Business

There was no further business to come before the board

5.0 Adjourn

There being no further discussion, the meeting adjourned at 10:02 a.m.