



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

**Meeting Minutes**

**December 5, 2019**

**President's Room 215B, Emerson Alumni Hall**

**University of Florida, Gainesville, FL**

**Time Convened: 1:47 p.m.**

**Time Adjourned: 2:58 p.m.**

**Committee and Board members present:**

David L. Brandon, James W. Heavener, Morteza Hosseini (Board Chair), Leonard H. Johnson, Thomas G. Kuntz (Board Vice Chair), Daniel T. O'Keefe, Rahul Patel, Marsha Powers, Jason J. Rosenberg, Robert G. Stern, Ray G. Thomas, Anita G. Zucker

**Others present were:**

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 and University Secretary; Michael McKee, Vice President and Chief Financial Officer; Thomas Mitchell, Vice President for Advancement; David Nelson, Senior Vice President for Health Affairs and President of UF Health; David Norton, Vice President for Research; 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; members of the University of Florida Community, and other members of the public and the media.

**1.0 Verification of Quorum**

Vice President Michael McKee verified a quorum with all members present.

**2.0 Call to Order and Welcome**

Committee Chair Thomas G. Kuntz welcomed everyone in attendance and called the meeting to order at 1:47 p.m.

### **3.0 Review and Approval of Minutes**

Committee Chair Kuntz asked for a motion to approve the minutes of the September 6, 2019 and November 6, 2019 committee meetings. The Committee Chair asked for further discussion, and the motion was approved unanimously.

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

### **4.0 Discussion Items**

#### **4.1 Enterprise Cash Working Group**

Committee Chair Thomas Kuntz introduced Trustee Rahul Patel who gave an overview of the Enterprise Cash Working Group. Following Trustee Patel's introduction, Assistant Vice President Alan West provided a high-level overview of the group's progress to date. The overview included a summary of objectives and areas of interest discussed during meetings on June 20, 2019, July 31, 2019, October 7, 2019, and November 21, 2019. Assistant Vice President West also reviewed lessons learned from each meeting along with some recommendations from the group. There was discussion regarding auxiliaries and how many will be eliminated, and discussion about Provost Funds. Committee Chair Kuntz stated that all Provost money was thoroughly reviewed by the group and determined to be necessary and appropriate, but there may be some opportunity for increased Board governance. Trustee Patel noted that the group has a number of recommendations including a bi-annual review of Provost Funds but that the group will continue to vet recommendations to ensure appropriateness before returning to the Board for approval. Board Chair Morteza Hosseini suggested that all changes be done in the most efficient way. Trustee Patel stated that the group is focused on creating appropriate checks and balances along with having a true understanding of each process. Committee Chair Kuntz ended the conversation by agreeing that it is important for the Board to understand these processes as they involve a large amount of money.

#### **4.2 UFICO Update**

UFICO's Chief Investment Officer, William Reeser, began the discussion by providing an overview of the Endowment Portfolio's FY19 performance. He indicated that there was a 7% return despite a lot of volatility throughout the year. He also provided an overview of UF Operating Investment performance for FY19, and indicated a 3.1% return. There was a question from Committee Chair Kuntz about increasing returns to \$50m and what it would take from a risk perspective. William Reeser stated that there would minimal change. Board Chair Hosseini questioned the daily balance of the cash account. Assistant Vice President West explained that on average, there is an overnight balance of \$2.5m in uninvested cash. Board Chair Hosseini also asked what the return is for short-term, overnight balances, and William Reeser indicated a return of about 1.5%-1.7%. Finally, there was a discussion about the transition since moving operating funds to UFICO. Vice President McKee and UFICO's William Reeser both agreed that the transition has been smooth and stated that there have been many meetings and much collaboration. Committee Chair Kuntz and Trustee Dan O'Keefe stressed the importance of handling the money well given the large amount.

#### **4.3 Faculty Hiring Update and 4.6 Student to Faculty Ratio Plan**

Committee Chair Kuntz began the discussion by explaining the need for a new plan since completion of the Faculty 500 initiative. Board Chair Hosseini asked if the goal of the initiative was met. Provost Joseph Glover stated that nearly all 500 new positions were allocated and filled, but not all. Committee Chair Kuntz indicated that these positions will continue to be tracked but there needs to be a focus on the student to faculty ratio going forward. There was then a discussion about the net number of Faculty 500 positions filled, which prompted a shift in the conversation to the faculty hiring update.

Vice President Jodi Gentry went through the faculty hiring report and indicated that there were 415 net new faculty. She explained that the student to faculty ratio was not yet finalized, but the preliminary ratio is 17.3:1. Provost Glover indicated that 483 of the Faculty 500 positions were filled, but not all vacant positions were filled resulting in a net number of 415. Vice President Gentry touched on turnover, stating that the University is in line with national norms. Committee Chair Kuntz questioned the widespread differences in turnover rates between colleges and suggested the committee look into that. Board Chair Hosseini stated the need to reach a 16:1 ratio in order to get into the top five and asked what ratio would be reported to US World News. Provost Glover explained that the final ratio was not yet calculated but if it is indeed 17.3:1, it will be reported at 17:1, and if it is 17.5:1, it will be reported at 18:1. Committee Chair Kuntz stated that the committee would continue to look at Vice President Gentry's data and dig deeper to reach a 16:1 ratio.

The discussion then shifted back to the student to faculty ratio plan. Provost Glover explained that the University needed to hire another 175 instructional faculty members, 125 new plus fill 50+ open positions, in order to reach a 16:1 ratio. President Kent Fuchs mentioned the need to celebrate moving the ratio from 21:1 to 17:1 over the past 5 years. He also noted that the university would eventually need to stop increasing faculty and hire support staff, and stressed the need for infrastructure support and compensating faculty at the level of the best universities. Board Chair Hosseini agreed that support staff are needed, and noted that in addition to obtaining a 16:1 student to faculty ratio and getting into the top five, UF needs to improve their staff to faculty ratio as well. He suggested that doing so was necessary to maintain as a top public university. Provost Glover stated that deploying faculty properly was just as important as the student to faculty ratio, and that UF has done well at faculty deployment. Committee Chair Kuntz ended the conversation by reiterating the need to hire 85 more faculty to reach the goal of the Faculty 500 initiative, and then hire an additional 175 to reach the 16:1 ratio.

#### **4.4 June 2019 Financials**

Vice President Michael McKee introduced Assistant Vice President West who provided a high-level summary and highlights of the year-end financials. Committee Chair Kuntz asked if UF was roughly on target in regards to financial performance. Assistant Vice President West indicated that the University was on target and had a strong year. There was no further discussion.

#### **4.5 September 2019 Financials**

September 2019 Financials were not discussed due to time limitations.

#### **6.0 New Business**

There was no new business to come before the committee.

#### **7.0 Adjourn**

There being no further discussion, Committee Chair Kuntz adjourned at the meeting at 2:58 p.m.