



BOARD MEETING MINUTES
December 20, 2023
Virtual Meeting
University of Florida, Gainesville, FL
Time Convened: 10:01 a.m.
Time Adjourned: 10:20 a.m.

Board members present:

Morteza “Mori” Hosseini (Board Chair), David L. Brandon, Richard P. Cole, Christopher T. Corr, Olivia E. Green, Daniel T. O’Keefe, Rahul Patel (Board Vice Chair), Marsha D. Powers, Fred S. Ridley, Danaya C. Wright, and Anita G. Zucker.

Others present:

Ben Sasse, President; Scott Angle, Interim Provost and Senior Vice President of Academic Affairs; Melissa Curry, Vice President for Human Resources; Elias Eldayrie, Vice President and Chief Information Officer; Amy Hass, Vice President and General Counsel; Taylor Jantz, Office of the Chief Financial Officer; Mark Kaplan, Vice President for Government and Community Relations and University Secretary; Jim Kelly, Interim Chief Executive Officer for UF Health Shands; David Kratzer, Senior Vice President for Construction, Facilities, and Auxiliary Operations; Maria Gutierrez Martin, Interim Vice President for Advancement; David Nelson, Senior Vice President for Health Affairs and President of UF Health; Mary Parker, Vice President and Chief Enrollment Strategist; Raymond Sass, Vice President for Innovation and Partnerships; Penny Schwinn, Vice President for PK-12 and Pre-Bachelors Programs; Jim Staten, Senior Advisor to the President; James Wegmann, Vice President for Communications; Heather White, Vice President for Student Life; members of the University of Florida community, and the public.

1.0 Call to Order and Welcome

Board Chairman Mori Hosseini welcomed everyone in attendance and called the meeting to order at 10:01 a.m.

2.0 Verification of Quorum

Vice President and University Secretary Mark Kaplan verified a quorum with all members present, except Trustees Heavener and Zalupski.

3.0 Public Comment

Vice President and General Counsel Amy Hass informed the Board there were no public comments to come before the Board.

4.0 Action Item

BT1 UF Health Parent Corporation

Board Chair Hosseini thanked the Board members for joining this meeting on short notice. The action item for approval before the Board today is the proposed UF Health parent corporation, called University of Florida Health Corporation. The Board has had conversations on this item at previous Board meetings. This action item has been in the works for a long time. Chair Hosseini stated he wanted to wait until we hired our new president to proceed, so he could be involved in the creation of this corporation. UF Health is extremely important to us. It is 1 of 3 legs in our 3-legged stool. UF Health is 2/3 of revenue for the university and it is strategically and financially important to the university. We want UF Health to be a top provider in healthcare and research in the state of Florida. Our employees at UF Health do an unbelievable job. It is hugely important to the Board for UF Health to have the best doctors and hospitals. UF Health in Jacksonville takes care of the poor and plays an important role in the community and UF Health in Gainesville takes care of some of the most critically patients in the country. The Board and the President take this seriously. Acquiring Flagler Health will help us expand our healthcare system in strategic areas.

President Sasse shared his appreciation for the counsel of the Board and university administration for getting him up to speed and for all the work that has been done before his arrival. He noted at previous board meetings, there has been confusion on the margins about the distinction between corporate unification and the parent corporation big board that does oversight and has consolidated financials and moves towards operational excellence around integrations. The one UF Health big board is to manage consolidated financials, to oversee integration projects, and to move toward greater operational excellence and efficiencies. That is not to say we would consolidate every corporate structure underneath into the same corporate structure. We are not consolidating all corporate structures. We are going to have consolidated financials and one big board for oversight and governance. Next, he shared the approval of this action item today does not require us to populate the new board members at this time, but at the Chairman's discretion soon. We want to move toward more professional membership of the board. This new board will start with 9 to 11 members, perhaps up to 13 someday. Lastly, he noted we have two ongoing searches for a CEO of Shands Gainesville and a system President who will report to this new board about the integration of Flagler Health and beyond. Board Chair Hosseini agreed with the plan the President outlined. He added he thinks 9 to 11 members should be the maximum, and the board members should be professionals with experience to help our leadership and our system. There is potential for board members to be paid, but that has not been decided yet. Paid positions on the board would not apply to UF employees.

Senior Vice President David Nelson added his support and commented the idea is that we can unify our hospitals and create an outstanding academic health system. There are a lot of benefits to this proposed board, but the most important are governance and structure to bring our system together. He thanked everyone for their hard work and shared his support for approval by the Board.

Vice President Amy Hass echoed the comments of Board Chair Hosseini, President Sasse, and SVP Nelson. She thanked Board Chair Hosseini, Board Vice Chair Patel, Trustee Powers, and Former Board Vice Chair Tom Kuntz for their hard work and tenacity to propel this forward. She stated

the Board is asked to vote today to approve the formation of a UF Health Corporation and the Articles of Incorporation. She reviewed the Articles of Incorporation stating this is a corporation created by the Board of Trustees with the Articles to be executed by the Board Chair and President. The Articles include IRS language to keep consistent with a 501(c)(3) not-for-profit, which is what the parent corporation will be. We are repurposing an existing corporation in order to move this through the process more quickly. The Articles of Incorporation will be the high-level document. The Bylaws will incorporate our initial set of total number of board members, as well as board committees. The Bylaws have further details to be filled in that will be reviewed with the Board Chair and the President, then shared with the full Board of Trustees to keep them apprised. Under our governance standards, the full Board of Trustees approves the Articles of Incorporation and the Board Chair and the President approve the Bylaws. When board members are to be appointed, the individuals will be brought before the full Board for approval.

Board Vice Chair Patel thanked VP Hass for her good work on the Articles of Incorporation. He commented there is not a provision that states “Board members will be indemnified subject to the fullest extent of the law” that is included in for-profit Articles. He asked if a provision like this is potentially applicable in not-for-profit Articles. He added that potential board members may look for a provision like this and asked for it to be considered as an addition.

VP Hass agreed and stated indemnity language will be added to the Articles and Bylaws. Board Chair Hosseini asked when the Board votes, if the action will be subject to the addition of this provision language. VP Hass confirmed. Board Chair Hosseini asked if the action item will be signed by both the Board Chair and the President. VP Hass confirmed.

Board Chair Hosseini asked for any questions or further discussion. Hearing none, he then asked for a motion to approve Action Item BT1 with the addition of the indemnification provision language, which was made by Trustee Brandon, and a second, which was made by Trustee Zucker. Board Chair Hosseini asked for further discussion, and then asked for an all in favor of the motion and any opposed, and the motion carried unanimously.

5.0 New Business

There was no new business to come before the Board.

6.0 Adjourn

There being no further discussion, Board Chair Hosseini adjourned the meeting at 10:20 a.m.