

UNIVERSITY OF FLORIDA GOVERNANCE STANDARDS

Last Revised: April 2022

KEY PRINCIPLES:

1. The purpose of these Governance Standards is to further the University of Florida's (UF) "One UF" Strategic mission and to ensure appropriate visibility and communication with the UF Board of Trustees (BOT), such that the BOT can effectively fulfill its responsibility as UF's governing board and so that each trustee can carry out his/her fiduciary duties to UF while serving as a member of the BOT.
2. In addition to the specific standards outlined below, for any matters that would reasonably be considered material to UF, or any Direct Support Organization (DSO) or affiliate entity, or that would generate significant media attention, the President will confer with the BOT Chair and notify the BOT Vice Chair, and notify the full Board in the case of significant media attention. It is understood that health, safety and operational emergencies may preclude advance notice. If in doubt as to materiality, administrators will err on the side of assuming a matter is material.
3. These Governance Standards supersede preexisting UF BOT resolutions and internal operating memoranda related to the same topic, such as R07-37, which are now combined into one set of standards that work in conjunction with and in support of applicable Florida Statutes, Board of Governors Regulations and the One UF strategic mission. Any legislation or Board of Governors Regulations, as amended from time to time, that conflict with these standards shall supersede.
4. These Governance Standards are designed to balance UF's important objectives of preserving sovereign immunity defenses for its DSOs and affiliated entities, while also respecting guidelines applicable for relevant rating agencies for its affiliates. These Governance Standards enhance the statutory requirements set forth in Florida law and the Board of Governors Regulations with the aforementioned objectives.
5. These Governance Standards will be reviewed periodically by the BOT as needed, and at least every five years, to ensure efficient operations and continued good governance.

GENERAL PROCEDURES:

1. Approval: For actions that require the approval of any party, the approving party should be consulted as soon as a project becomes viable. The approving party should be consulted throughout the process and at each significant decision-making point. Full board approval will be documented by a signed board action. Any other approval or notice may be documented via email or via documentation maintained in the office of the relevant UF liaison.
2. Confer: For actions that require the President (or designee) to confer with the Board Chair, the President (or designee) and Board Chair must be informed as soon as a project or action becomes viable and before any potentially binding decisions are made. Information must be provided to such parties throughout the process and at each significant decision-making point. For actions that require Board Chair approval only, the Board Chair has discretion to request full BOT participation.
3. Individual projects, transactions or contracts that are related should be aggregated for purposes of the thresholds in the Governance Standards.

DEFINITIONS:

1. Capital Facilities Project: Any project to acquire, construct, or change the functional use of land, buildings, and other facilities.
2. Capital Budget: An annual estimate in itemized form showing the amounts needed for a Capital Facilities Project(s). This includes a detailed statement of program needs, estimated construction costs and square footage, site costs, operating capital necessary to furnish and equip for operating a new or improved facility, and the anticipated sources of funding during the next fiscal year. The Capital Budget also includes the source of funds for each Capital Facilities Project.
3. Operating Budget: An annual estimate of the total projected amounts needed to run the day-to-day operations of the University, a DSO or an affiliate.
4. Real Estate: Purchase, sale, or lease, as applicable, of any existing real property (land or buildings), excluding gifts.
5. Legal Claim: Any complaint (formal or informal), legal proceeding, arbitration, administrative proceeding or government enforcement proceeding.

GOVERNANCE STANDARDS:

The Governance Standards for the University, Shands Entities, the UF Foundation, the University Athletic Association, the UF Investment Corporation, UF Faculty Practice Plans, and all other DSOs and affiliates are provided in the following charts:

UNIVERSITY OF FLORIDA

In addition to the specific standards outlined below, for any matters that would reasonably be considered material to UF, a DSO or any affiliate entity, or that would generate significant media attention, the President will confer with the BOT Chair and notify the BOT Vice Chair, and notify the full BOT in case of significant media attention. It is understood that health, safety and operational emergencies may preclude advance notice. If in doubt as to materiality, administrators will err on the side of assuming a matter is material.

The below standards are in addition to any existing statutory approvals or Board of Governors regulatory approvals, as amended from time to time, that are required of the BOT (including, e.g., tuition increases, fee increases, new academic degree programs, elimination of academic programs, textbook affordability, etc.)

Actions Requiring Approval of the Full BOT	UF Liaison	Additional Requirements and Notes
Capital Facilities Projects: <ol style="list-style-type: none"> 1. using state funds; 2. >\$2M; or 3. any project, regardless of amount, that is determined to be of high visibility after conferring with the BOT chair 	COO	Separate approval not needed for projects >\$2M specifically approved as part of a Capital Budget or Operating Budget UF Selection Protocols and Technical Review Committee will be used: <ol style="list-style-type: none"> (1) for all projects >\$25M; and (2) for any project, regardless of amount, that is determined to be of high visibility after conferring with the BOT Chair. Administrative working group with representation from offices of the Controller, General Counsel, CFO, and COO review capital facilities projects to ensure funds conform to appropriate budgets, plans, laws and regulations. Source of funds for each project must be included in the approval document.
Capital Budget	CFO	Board of Governors (BOG) approval also required

		The expenditures from a Capital Budget shall be routinely audited by the Office of the UF Chief Audit Executive.
Operating Budget	CFO	Legislative appropriation also required Delineation of authorized expenditures is required in budget submission to the BOT.
Annual E&G Carryforward Spending Plan	CFO	BOG report required each August beginning 2020 Expenditures from Carryforward Spending Plan shall be routinely audited by the Office of the UF Chief Audit Executive.
Real Estate: 1. purchase or sale of real property; 2. easements >25 years; 3. leases ≥10 years; 4. leases >50k square feet; or 5. leases ≥\$10M total spend	COO	BOT may require that the transaction be vetted by UF Development Corporation Board
Debt	CFO	BOG approval also required (unless excepted by BOG debt management guidelines)
Hiring, Firing, or Changed Compensation of UF President	General Counsel	BOG ratification of hiring and extension of appointment required; UF President's contract may provide for changed compensation; Governance Committee and BOT may approve goals and performance criteria, which may be tied to changes in compensation
Create a New Entity, Affiliate, Subsidiary, or Merger	COO	
Amend Articles of Incorporation or Bylaws	General Counsel	
Actions requiring Approval of UF President and BOT Chair and Notice to BOT Vice Chair	UF Liaison	Additional Requirements and Notes
Goods and Services Contracts: 1. ≥\$10M in total value;	CFO	BOG Reg. 18.001 limits renewal and extension terms of UF contracts

2. ≥\$2M per year spend; or 3. ≥10 years and exclusive		
Compensation of all UF Cabinet Members (Vice Presidents and other Executive Direct Reports to President)	President or VP Human Resources	Market support for compensation is required; BOT Governance Committee informed at least annually Also requires notice to the BOT Governance Chair.
Settlement of Legal Claims >\$1M	General Counsel	
Actions requiring Approval of UF President <i>After</i> Conferring with BOT Chair and Notice to BOT Vice Chair	UF Liaison	Additional Requirements and Notes
Search Process, Hiring and Firing of any UF Cabinet Member	President	UF Hiring Protocols must be followed
Settlement of Legal Claims ≥\$750k and <\$1M	General Counsel	
Actions Requiring Approval of UF President Only	N/A	Additional Requirements and Notes
Capital Facilities Projects: 1. Not using state funds; and 2. ≤\$2M; and 3. not determined to be of high visibility after conferring with the BOT chair		May be designated to COO
Research and IP Agreements – All		May be designated to Vice President for Research
Internal Investigations		UF Investigation Protocols must be followed
Settlement of Legal Claims <\$750k		

SHANDS ENTITIES

Includes: Shands Teaching Hospital and Clinics, Inc., Shands Jacksonville Healthcare, Inc., and Shands Jacksonville Medical Center, Inc.

In addition to the specific standards outlined below, for any matters that would reasonably be considered material to UF, a DSO or any affiliate entity, or that would generate significant media attention, the President will confer with the BOT Chair and notify the BOT Vice Chair, and notify the full BOT in case of significant media attention. It is understood that health, safety and operational emergencies may preclude advance notice. If in doubt as to materiality, administrators will err on the side of assuming a matter is material. The approvals below are in addition to any approvals required by the Shands Board of Directors.

The below standards are in addition to any existing statutory approvals or Board of Governors regulatory approvals, as amended from time to time, that are required of the BOT.

Actions Requiring Approval of the Full BOT	UF Liaison	Additional Requirements and Notes
Create a New Entity, Subsidiary, or Merger	SVP Health Affairs	
Amend Shands Articles of Incorporation	SVP Health Affairs	
Actions requiring Approval of UF President and BOT Chair and Notice to BOT Vice Chair	UF Liaison	Additional Requirements and Notes
Capital Budget >\$10M	SVP Health Affairs	
Capital Facilities Projects >\$10M, not included in Capital Budget	COO	UF Selection Protocols and Technical Review Committee will be used: (1) for all projects >\$25M; and (2) for any project, regardless of amount, that is determined to be of high visibility after conferring with the BOT Chair.
Operating Budget	SVP Health Affairs	
Amend Bylaws	SVP Health Affairs	

Real Estate: 1. purchase or sale of real property; 2. easements >25 years; 3. leases ≥10 years; 4. leases >50k square feet; or 5. leases ≥\$10M	COO	
Settlement of Legal Claims >\$1M	General Counsel	Legal Claims included for purposes of this standard include claims from federal or state government entities relating to audits or investigations; this does not include medical malpractice claims or other general liability claims which are covered by the BOG Self-Insurance Programs.
Actions Requiring Approval of UF President <i>After</i> Conferring with BOT Chair and Notice to BOT Vice Chair	UF Liaison	Additional Requirements and Notes
Appointments to Shands Entities' Boards	President	
Settlement of Legal Claims ≥\$750k and <\$1M	General Counsel	
Hiring and Compensation of Chief Executive Officer		UF Hiring Protocols must be followed
Actions Requiring Approval of UF President Only	N/A	Additional Requirements and Notes
Settlement of Legal Claims <\$750k		
Internal Investigations		UF Investigation Protocols (in development) must be followed
Actions Requiring Advance Notice to UF President	UF Liaison	Additional Requirements and Notes
Capital Budget >\$2M and ≤\$10M	SVP Health Affairs	
Capital Facilities Projects >\$2M and ≤\$10M	COO	
Goods and Services Transactions: 1. ≥\$10M total value; 2. ≥\$2M per year; or 3. >10 years and exclusive	CFO	

Debt	CFO	UF President and Trustee on Shands Board must vote in majority for approval to be effective; Section on debt (including rating agency reports) included in regular financial reporting (at least twice a year) shared with BOT, BOG and Division of Bond Finance; and Forms will be substantively the same as those used by BOG, UF, and Division of Bond Finance
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UNIVERSITY OF FLORIDA FOUNDATION

In addition to the specific standards outlined below, for any matters that would reasonably be considered material to UF, a DSO or any affiliate entity, or that would generate significant media attention, the President will confer with the BOT Chair and notify the BOT Vice Chair, and notify the full BOT in case of significant media attention. It is understood that health, safety and operational emergencies may preclude advance notice. If in doubt as to materiality, administrators will err on the side of assuming a matter is material. The approvals below are in addition to any approvals required by the UF Foundation Board of Directors.

The below standards are in addition to any existing statutory approvals or Board of Governors regulatory approvals, as amended from time to time, that are required of the BOT.

Actions Requiring Approval of the Full BOT	UF Liaison	Additional Requirements and Notes
Appointments to UFF Board	President	Except UF Board Chair appointee to the UFF Board and Ex-Officio members, all appointees begin serving upon approval of the BOT
Debt	VP Advancement	BOG approval also required (unless excepted by BOG debt management guidelines)
Create a New Entity, Subsidiary, or Merger	VP Advancement	
Amend Articles of Incorporation	General Counsel	
Operating Budget	VP Advancement	Delineation of authorized expenditures is required in budget submission to the BOT. Chair and Vice to review proposed operating budgets prior to full board approval
Actions requiring Approval of UF President and BOT Chair and Notice to BOT Vice Chair	UF Liaison	Additional Requirements and Notes
Capital Budget >\$10M	VP Advancement	
Capital Facilities Projects >\$10M	COO	UF Selection Protocols and Technical Review Committee will be used: (1) for all projects >\$25M; and (2) for any project, regardless of amount, that is

		determined to be of high visibility after conferring with the BOT Chair.
Real Estate: 1. purchase or sale of real property; 2. easements >25 years; 3. leases ≥10 years; 4. leases >50k square feet; or 5. leases ≥\$10M	COO	Not required for gifts
Goods and Services Transactions: 1. ≥\$10M total value; 2. ≥\$2M per year; or 3. >10 years and exclusive	VP Advancement	
Amend Bylaws	General Counsel	
Settlement of Legal Claims >\$1M	General Counsel	
Actions requiring Approval of UF President <i>After</i> Conferring with BOT Chair and Notice to BOT Vice Chair	UF Liaison	Additional Requirements and Notes
Settlement of Legal Claims ≥\$750k and <\$1M	General Counsel	
Actions Requiring Approval of UF President Only	N/A	Additional Requirements and Notes
Capital Budget >\$2M and ≤\$10M		
Capital Facilities Projects >\$2M and ≤\$10M		
Settlement of Legal Claims <\$750k		
Internal Investigations		UF Investigation Protocols (in development) must be followed

UNIVERSITY OF FLORIDA ATHLETIC ASSOCIATION AND GATOR BOOSTERS

In addition to the specific standards outlined below, for any matters that would reasonably be considered material to UF, a DSO or any affiliate entity, or that would generate significant media attention, the President will confer with the BOT Chair and notify the BOT Vice Chair, and notify the full BOT in case of significant media attention. It is understood that health, safety and operational emergencies may preclude advance notice. If in doubt as to materiality, administrators will err on the side of assuming a matter is material. The approvals below are in addition to any approvals required by the UAA and Gator Boosters Boards of Directors.

The below standards are in addition to any existing statutory approvals or Board of Governors regulatory approvals, as amended from time to time, that are required of the BOT.

Actions Requiring Approval of the Full BOT	UF Liaison	Additional Requirements and Notes
Appointments to UAA and Gator Boosters Boards	President	Except UF Board Chair appointee to the UAA and Gator Boosters Boards and Ex-Officio members, all appointees begin serving upon approval of the BOT
Debt	Athletic Director	BOG approval also required (unless excepted by BOG debt management guidelines)
Create a New Entity, Subsidiary, or Merger	General Counsel	
Amend Articles of Incorporation	General Counsel	
Operating Budget	Athletic Director	Delineation of authorized expenditures is required in budget submission to the BOT. Chair and Vice to review proposed operating budgets prior to full board approval
Actions requiring Approval of UF President and BOT Chair and Notice to BOT Vice Chair	UF Liaison	Additional Requirements and Notes
Capital Budget >\$10M	Athletic Director	
Capital Facilities Projects >\$10M	COO	UF Selection Protocols and Technical Review Committee will be used: (1) for all projects >\$25M; and (2) for any project, regardless of amount, that is

		determined to be of high visibility after conferring with the BOT Chair.
Real Estate: 1. purchase or sale of real property; 2. easements >25 years; 3. leases ≥10 years; 4. leases >50k square feet; or 5. leases ≥\$10M	COO	Not required for gifts
Goods and Services Transactions: 1. ≥\$10M total value; 2. ≥\$2M per year; or 3. >10 years and exclusive	Athletic Director	
Amend Bylaws	General Counsel	
Settlement of Legal Claims >\$1M	General Counsel	
Actions requiring Approval of UF President <i>After</i> Conferring with BOT Chair and Notice to BOT Vice Chair	UF Liaison	Additional Requirements and Notes
Hiring, Firing and Compensation of Athletic Director	President	Market support for compensation is required; UF Hiring Protocols must be followed
Compensation for Any Employee with a Total Annual Compensation >\$1M	President	Market support for compensation is required
Settlement of Legal Claims ≥\$750k and <\$1M	General Counsel	
Actions Requiring Approval of UF President Only	N/A	Additional Requirements and Notes
Capital Budget >\$2M and ≤\$10M not using state funds		
Capital Facilities Projects >\$2M and ≤\$10M not using state funds		
Settlement of Legal Claims <\$750k		
Internal Investigations		UF Investigation Protocols must be followed

UNIVERSITY OF FLORIDA INVESTMENT CORPORATION

In addition to the specific standards outlined below, for any matters that would reasonably be considered material to UF, a DSO or any affiliate entity, or that would generate significant media attention, the President will confer with the BOT Chair and notify the BOT Vice Chair, and notify the full BOT in case of significant media attention. It is understood that health, safety and operational emergencies may preclude advance notice. If in doubt as to materiality, administrators will err on the side of assuming a matter is material. The approvals below are in addition to any approvals required by the UFICO Board.

The below standards are in addition to any existing statutory approvals or Board of Governors regulatory approvals, as amended from time to time, that are required of the BOT.

Actions Requiring Approval of the Full BOT	UF Liaison	Additional Requirements and Notes
Appointments to UFICO Board	President	Except UF Board Chair appointee to the UFICO Board and Ex-Officio members, all appointees begin serving upon approval of the BOT
Debt	UFICO CEO	BOG approval also required (unless excepted by BOG debt management guidelines)
Create a New Entity, Subsidiary, or Merger	General Counsel	
Amend Articles of Incorporation	General Counsel	
Operating Budget	UFICO CEO	Delineation of authorized expenditures is required in budget submission to the BOT. Chair and Vice to review proposed operating budgets prior to full board approval
Actions requiring Approval of UF President and BOT Chair, and Notice to BOT Vice Chair	UF Liaison	Additional Requirements and Notes
Capital Budget >\$10M	UFICO CEO	
Capital Facilities Projects >\$10M	COO	UF Selection Protocols and Technical Review Committee will be used: (1) for all projects >\$25M; and (2) for any project, regardless of amount, that is determined to be of high visibility after

		conferring with the BOT Chair.
Real Estate: 1. purchase or sale of real property; 2. easements >25 years; 3. leases ≥10 years; 4. leases >50k square feet; or 5. leases ≥\$10M	COO	Not required for gifts
Goods and Services Transactions: 1. ≥\$10M total value; 2. ≥\$2M per year; or 3. >10 years and exclusive	UFICO CEO	
Amend Bylaws	General Counsel	
Settlement of Legal Claims >\$1M	General Counsel	
Actions requiring Approval of UF President <i>After</i> Conferring with BOT Chair and Notice to BOT Vice Chair	UF Liaison	Additional Requirements and Notes
Hiring, Firing and Compensation of Chief Executive Officer	President	Market support for compensation is required; UF Hiring Protocols must be followed
Settlement of Legal Claims ≥\$750k and <\$1M	General Counsel	
Actions Requiring Approval of UF President Only	N/A	Additional Requirements and Notes
Capital Budget >\$2M and ≤\$10M		
Capital Facilities Projects >\$2M and ≤\$10M		
Settlement of Legal Claims <\$750k		
Internal Investigations		UF Investigation Protocols must be followed

UNIVERSITY OF FLORIDA PRACTICE PLAN AFFILIATES

In addition to the specific standards outlined below, for any matters that would reasonably be considered material to UF, a DSO or any affiliate entity, or that would generate significant media attention, the President will confer with the BOT Chair and notify the BOT Vice Chair, and notify the full BOT in case of significant media attention. It is understood that health, safety and operational emergencies may preclude advance notice. If in doubt as to materiality, administrators will err on the side of assuming a matter is material. The approvals below are in addition to any approvals required by the Practice Plan Boards.

The below standards are in addition to any existing statutory approvals or Board of Governors regulatory approvals, as amended from time to time, that are required of the BOT.

Actions Requiring Approval of the Full BOT	UF Liaison	Additional Requirements and Notes
Appointments to Practice Plan Boards	President	Except UF Board Chair appointees to the Practice Plan Boards and Ex-Officio members, all appointees begin serving upon approval of the BOT
Debt	SVP Health Affairs	BOG approval also required (unless excepted by BOG debt management guidelines)
Create a New Entity, Subsidiary, or Merger	General Counsel	
Amend Articles of Incorporation	General Counsel	
Operating Budget	SVP Health Affairs	Delineation of authorized expenditures is required in budget submission to the BOT. Chair and Vice to review proposed operating budgets prior to full board approval
Actions requiring Approval of UF President and BOT Chair, and Notice to BOT Vice Chair	UF Liaison	Additional Requirements and Notes
Capital Budget >\$10M	SVP Health Affairs	
Capital Facilities Projects >\$10M	COO	UF Selection Protocols and Technical Review Committee will be used: (1) for all projects >\$25M; and (2) for any project, regardless of amount, that is determined to be of high visibility after

		conferring with the BOT Chair.
Real Estate: 1. purchase or sale of real property; 2. easements >25 years; 3. leases ≥10 years; 4. leases >50k square feet; or 5. leases ≥ \$10M	COO	Not required for gifts
Goods and Services Transactions: 1. ≥\$10M total value; 2. ≥\$2M per year; or 3. >10 years and exclusive	SVP Health Affairs	
Amend Bylaws	General Counsel	
Settlement of Legal Claims >\$1M	General Counsel	
Actions requiring Approval of UF President <i>After</i> Conferring with BOT Chair and Notice to BOT Vice Chair	UF Liaison	Additional Requirements and Notes
Hiring, Firing and Compensation of Chief Executive Officer (if any)	President	Market support for compensation is required; UF Hiring Protocols must be followed
Settlement of Legal Claims ≥\$750k and <\$1M	General Counsel	
Actions Requiring Approval of UF President Only	N/A	Additional Requirements and Notes
Capital Budget >\$2M and ≤\$10M		
Capital Facilities Projects >\$2M and ≤\$10M		
Settlement of Legal Claims <\$750k		
Internal Investigations		UF Investigation Protocols must be followed

UNIVERSITY OF FLORIDA DSOs AND AFFILIATES - OTHER

In addition to the specific standards outlined below, for any matters that would reasonably be considered material to UF, a DSO or any affiliate entity, or that would generate significant media attention, the President will confer with the BOT Chair and notify the BOT Vice Chair, and notify the full BOT in case of significant media attention. It is understood that health, safety and operational emergencies may preclude advance notice. If in doubt as to materiality, administrators will err on the side of assuming a matter is material. The approvals below are in addition to any approvals required by the DSO or Affiliate Boards.

The below standards are in addition to any existing statutory approvals or Board of Governors regulatory approvals, as amended from time to time, that are required of the BOT.

Actions Requiring Approval of the Full BOT	UF Liaison	Additional Requirements and Notes
Appointments to DSO/Affiliate Boards	President	Except UF Board Chair appointees and Ex-Officio members, all appointees begin serving upon approval of the BOT
Debt	Organization Leader	BOG approval also required (unless excepted by BOG debt management guidelines)
Create a New Entity, Subsidiary, or Merger	General Counsel	
Amend Articles of Incorporation	General Counsel	
Operating Budget	Organization Leader	Delineation of authorized expenditures is required in budget submission to the BOT. Chair and Vice to review proposed operating budgets prior to full board approval
Actions requiring Approval of UF President and BOT Chair, and Notice to BOT Vice Chair	UF Liaison	Additional Requirements and Notes
Capital Budget >\$10M	Organization Leader	
Capital Facilities Projects >\$10M	COO	UF Selection Protocols and Technical Review Committee will be used: (1) for all projects >\$25M; and (2) for any project, regardless of amount, that is determined to be of high visibility after conferring with the BOT Chair.

Real Estate: 1. purchase or sale of real property; 2. easements >25 years; 3. leases ≥10 years; 4. leases >50k square feet; or 5. leases ≥\$10M	COO	Not required for gifts
Goods and Services Transactions: 1. ≥\$10M total value; 2. ≥\$2M per year; or 3. >10 years and exclusive	Organization Leader	
Amend Bylaws	General Counsel	
Settlement of Legal Claims >\$1M	General Counsel	
Actions requiring Approval of UF President <i>After</i> Conferring with BOT Chair and Notice to BOT Vice Chair	UF Liaison	Additional Requirements and Notes
Hiring, Firing and Compensation of Chief Executive Officer (if any)	President	Market support for compensation is required; UF Hiring Protocols must be followed
Settlement of Legal Claims ≥\$750k and <\$1M	General Counsel	
Actions Requiring Approval of UF President Only	N/A	Additional Requirements and Notes
Capital Budget >\$2M and ≤\$10M		
Capital Facilities Projects >\$2M and ≤\$10M		
Settlement of Legal Claims <\$750k		
Internal Investigations		UF Investigation Protocols must be followed