



The Foundation for The Gator Nation

Board of Trustees

Minutes

December 2, 2011

A regular meeting of the University of Florida Board of Trustees was held on Friday, December 2, 2011, in 215B of Emerson Alumni Hall. The meeting was called to order by Chair Carlos Alfonso at 10:35 a.m., and a quorum was confirmed.

Chair Alfonso welcomed new Trustees Susan Cameron and Charles Edwards to the Board.

Chair Alfonso requested President Machen's report. Dr. Machen began by noting that our Board is fully functioning, has integrated its new members, and is continuing the commitment to excellence established by the first Chair, Marshall Criser, II. There will be no rotation off of the Board in the coming year, so Trustees and Administration will be able to work together seamlessly. Dr. Machen thanked everyone for their time and commitment. He pointed out that UF is in a challenging budget era for the State. Before the Board meets again, he said, everyone will have a better handle on what exactly the new budget will entail. Last, he noted that this is a challenging time at the University because of the holiday season. Students and faculty are working hard toward the end of the semester and completing examinations. It is also a time of increasing emotional issues. UF lost a student last week returning from the Thanksgiving break in a car accident. Dr. Machen said everyone needs to be sensitive to the intense nature of the next few weeks. He encouraged people to take care of themselves, and their friends, colleagues and family members as well.

Chair Alfonso thanked President Machen for his comments and then requested the reports of each Committee. First, Trustee Al Warrington gave the Audit Committee Report. All Trustees were in attendance except Trustee Edwards who was out of town but was welcomed to the Committee. There were no consent agenda items for the Committee. The minutes of June 9, 2011 and September 6, 2011 were unanimously approved.

Phil Ciano of the Auditor General's Office provided an update on external audit activities:

1. UF Operational audit for the 2010-2011 Fiscal Year: This audit has traditionally been conducted once every two years with a scope of reviewing selected controls, processes and compliance with State rules and regulations. Fieldwork for the current audit is substantially completed and the delivery of preliminary and tentative findings should be no later than the 1st week of January. Mr. Ciano explained that once findings are delivered, the University will have 30 days to formally respond.

2. UF Financial Statement Audit for the 2010-2011 Fiscal Year: Mr. Ciano discussed the audit report format. The Auditor General expects to release the financial audit for the Fiscal Year Ending June 30, 2011 in late January 2012. The University of Florida's financial information will be incorporated into the statewide Comprehensive Annual Financial Report. The Auditor General will no longer publish a report of the University's financial statements separate from the University's Annual Financial Report. The University's Annual Financial Report, once released, will be posted to the Auditor General's website.

3. UF Federal Audit for the 2010-2011 Fiscal Year: Mr. Ciano explained that the audit of the University is a chapter of a statewide audit and is conducted according to OMB Circular A-133. The scope of this audit will include Student Financial Aid Funds and Research and Development Funds. The Auditor General Office anticipates delivery of tentative findings in early January, with the statewide report released in late March.

UF Bright Futures audit for the 2010-2011 Fiscal Year: This audit is conducted as part of a statewide audit at all universities and colleges. Phil anticipated delivery of tentative findings by the end of January. The expected release date for the current audit is early March.

Chief Audit Executive Brian Mikell and Audit Director Joe Cannella presented eight internal audit projects that had been issued since the last Board meeting. The projects presented were: UAA Cashiering and Decentralized Collections; Gator Boosters – Internal Controls; Department of Housing and Residence Education; Control Self Assessment (MAS); Integrated Student Information System (ISIS); Counseling and Wellness Center; Foundation Disbursements; and Purchasing Card Program.

The reports and summaries were previously provided for detailed review. Each audit project was summarized and questions from the Committee were answered. Messrs. Mikell and Cannella also reported on the follow-up status of previously issued internal and other audits.

Messrs. Mikell and Mr. Cannella presented the mid-year revisions to 2011-2012 internal audit work plan. Changes were minor and consisted of only two projects that were added to address newly identified risks. After questions and discussion, the Committee acknowledged the proposed revisions to audit work plan.

The Committee considered information provided by the University Controller's Office relating to audits of University affiliated organizations. The University has 27 affiliated organizations, with the majority having Fiscal Years ending on or June 30. Required audit reports for all but one of the organizations with a Fiscal Year Ending June 30 have been completed and were included in the report. Mr. Mikell indicated that the information is compiled from audited financial statements by the University Controller's Financial Reporting Office. Copies of significant control deficiencies reported by the various affiliated organization auditors are included for the Committee's review.

Vice President and Chief Financial Officer (CFO), Matt Fajack, provided an update on other external reviews:

1. Internal Revenue Service: The CFO stated that this review, which began in November 2009, was completed in August 2011. The focus of the review was Unrelated Business Income Tax, controlled entities and deferred compensation. There were no findings related to the controlled entities. The review found that some individual employees of the University had exceeded the limit of deferred compensation due to their deferring outside revenue sources that were not disclosed to the University. The review found that some small businesses included in UBIT did not have a profit motive, and their losses were therefore disallowed from the UBIT calculation. This resulted in the University paying additional taxes of \$71,000 and \$5,000 in interest, which is a favorable outcome considering the scale and scope of operations reviewed.

The CFO indicated that the IRS review staff was very complimentary of the University's processes and the efforts of the University Controller's Office.

2. HHS/NSF Investigation Project: The CFO reported that this matter is ongoing and the University continues to fully cooperate. The University has taken the following proactive measures to enhance controls over contract and grant accounting and reporting: (i) Effort Reporting: A new time and effort reporting system is in place and is being used to accumulate effort for the fall semester. The system ties faculty assignment information with the after-the-fact time and effort reporting. Under the previous system, the University was close to achieving 100% signed effort reports. (ii) Cost Transfers: Defined as after-the-fact adjustments of charges from one grant account to another. A new cost transfer policy was implemented to centralize the approval and required documentation of all cost transfers related to grants. (iii) Contract and Grant Policies: An effort is underway to identify, review, update, consolidate and centralize these policies for campus. (iv) Cost Sharing: This is part of the new effort reporting system. The previous system was largely manual, and the new automated system should significantly improve monitoring and compliance of required cost sharing.

Chair Warrington stated that the CFO will have a presentation on University-wide cash controls for the next meeting of the Committee on Audit and Operations Review.

Chair Warrington reported that he has reviewed the status of investigations conducted by the Office of Audit and Compliance Review. These activities include items that have been received on the Compliance Hotline. OACR either reviews or ensures that allegations are referred to other appropriate University offices such as Human Resources. The Chair reported that he is satisfied the investigations are being appropriately conducted and reviewed.

Mr. Mikell presented a power point presentation of the highlights from the OACR's 2010-2011 Annual Report. The report covered organizational changes, expenditures, analysis of time resources, projects completed, client surveys, and investigations. A copy of the annual report was provided to each Committee member and will be posted to the website of the Office of Audit and Compliance Review. This ended Trustee Warrington's report.

Vice-Chair David Brown presented the report of the Committee on Educational Policy and Strategy. The Committee was called to order with all but one member present. The minutes of June 9, 2011 and September 6, 2011, were unanimously approved.

There were public appearances by two groups: T.J. Villamil and Sean Fahy spoke to the Board regarding the “Make It Reitz” campaign, and Jose Sota and Patrick McHenry spoke to the Board in opposition to raising fees.

The following discussion items were addressed by the Committee:

- 4.1 Unit/Degree Adjustments
- 4.2 Student Government Update
- 4.3 Faculty Senate Update
- 4.4 Admissions Update

The following action items were unanimously approved for recommendation to the Board for the Consent Agenda:

EP1. University of Florida Regulations: Regulation 1.201 regarding Leave Benefits for Faculty and Staff.

EP4. Tenure Upon Hire (George Drusano, Professor of Medicine; Michal Kowalewski, Professor in Paleontology; Robert Levy, Professor in Medicine; Scott Rivkees, Professor in Pediatrics; and David Vaillancourt, Associate Professor in Applied Physiology and Kinesiology)

EP5. Tenure and Permanent Status (Lee-Ford Tritt, Professor of Law and Yafeng Yin, Associate Professor of Civil and Coastal Engineering).

EP6. Full Sail University Collaboration in Media and Entertainment Business and Technology.

EP7. Honorary Degree Candidates (William Evans, Doctor of Science; James Free, Doctor of Humane Letters; Robert Lindgren, Doctor of Education; William Morgan, Doctor of Arts; and Robert Rietti, Doctor of Arts.

EP3. Florida Center for Library Automation Annual Report.

EP9. UF Annual Report

EP8. Fees (Activity and Service, Health, Athletic) (EP8)

EP2. New Undergraduate Enhancement Fee

Trustee Michael Heekin made a voting conflict disclosure in connection with the Full Sail matter and elected to abstain from discussion and voting. Ms. Keith read his voting conflict disclosure into the Committee’s minutes and noted that Trustee Heekin had no involvement in

the proposed collaboration. His brother and his brother's firm are the longstanding outside general counsel of Full Sail and will be representing them in this matter. A copy of the disclosure is attached to and incorporated in these minutes as Exhibit A.

This ended Trustee Brown's Committee report.

Trustee Carolyn Roberts delivered the report of the Committee on External Relations. The meeting was called to order with the following members present: Trustees Brown, Criser, Heekin, Levine and also in attendance was Board Chair Carlos Alfonso.

There were no action items before the Committee. The June 9, 2011 minutes were unanimously approved. Discussion items addressed by the Committee were:

1. Legislative Update: The Committee heard from Vice President for University Relations Jane Adams, who presented the Legislative Agenda Update. The Legislative session begins in January, and large budget cuts are expected, but the size of the cuts and when they will be made are unknown.

On the issue of higher education reform, Vice President Adams noted that President Machen sent his response to Governor Scott's request for information that the Governor will use to develop his plan for higher education in Florida. Committee members suggested that the President's report be distributed through Gators For Higher Ed and other University communications. Chairman Alfonso said he heard unofficially that the response was well received.

Regarding PECO funding, members were informed that the October revenue estimate is \$113 million for all of education. In a good year, UF alone would receive that much in PECO funding. The BOG is requesting \$14 million for infrastructure and maintenance. UF's future year's list includes \$6 million for the Lake Nona Research and Academic Center and \$58 million for a new chemistry building.

Vice President Adams also said the State's Matching Gifts program has not been funded since 2008-09 and is not likely to be funded this year unless there is a large pot of non-recurring funds. The Major Gifts funding backlog for the SUS is \$285 million, with UF accounting for \$130 million of that total. The Courtelis backlog for the SUS is \$100 million, with UF accounting for \$28.2 million.

More cuts are expected in Medicaid, and Shands hopes to maintain \$9.7 million in recurring funds for indigent patients and maximize funding from the cigarette tax for the Cancer Center and competitive grants to fund cancer research.

2. Alumni Association Strategic Plan: The Committee then heard from Alumni Association Executive Director Danita Nias on the Alumni Association's Strategic Plan. Director Nias said the association will focus on improving its Number 13 ranking among alumni associations in the U.S. and creating programs that put Gators first. Those include maintaining the Student Alumni Association's Number 1 status and adding more programs for Gator Clubs.

As an example, 234 people attended a recent Gator Club panel discussion on how to leverage being a Gator during a job search. Director Nias also said the Association is partnering with Gators for Higher Education.

3. Celebration of the 150th Anniversary of the Morrill Act: Senior Vice President for Agriculture and Natural Resources Jack Payne gave a report on the University's plans to participate in the celebration of the 150th anniversary of the Morrill Act and the Land Grant Mission. A two-week event marking the occasion is scheduled for late June and early July in Washington, D.C., and UF will be the only University presenting an exhibit with water as its theme. The exhibit will include live alligators and examples of invasive species in Florida such as pythons. Sr. Vice President Payne said President Machen is in charge of the event at the request of the Association of Public and Land Grant Universities, which is organizing the celebration. He added that the anniversary also will be celebrated with events on campus and throughout the State.

This ended Trustee Roberts' report.

Trustee Steve Scott provided the report of the Committee on Finance and Facilities. The meeting was called to order with all Committee members present. The minutes of the June 9, 2011 and September 6, 2011 meetings were approved unanimously.

The following action items were unanimously approved for recommendation to the Board on its Consent Agenda.

FF1. Amendments to 2011-12 Budget Revenues and Expenses: Vice President and Chief Financial Officer Matt Fajack explained the presentation of the 2011-12 Budget of Revenue and Expenses and the requested amendment (which was amended to \$3,500,963.197 of revenues and \$3,533,963,197 of expenses). There is a projected deficit for 2011-2012 but this can change. There was a projected deficit for 2010-2011 when it was first presented which was not true at year end. This was due in large part to salary savings, grant revenue not being counted until received, departments having some cash in the bank and people having been conservative in their projections.

FF2. Naming of the West Side Garden of George A. Smathers Libraries: "The Todd C. Prosser Memorial Garden:" A request to name the garden on the west side of the George A. Smathers Libraries "The Todd C. Prosser Memorial Garden" was considered. Information provided explained that this would honor Ted and Ellen Prosser's son Todd who attended UF but died suddenly at age 25. (This will be separately voted as required by Board of Governors' naming regulations.)

FF3. Citibank, N.A. As Depository for the University: There was a resolution to open a new bank account with Citibank for prepaid bank cards. As requested, Vice President Fajack will provide a short presentation on cash controls at the next Committee.

FF4. A resolution was presented requesting the issuance of up to \$31,000,000 in bonds for 20 years to finance significant renovations to Corry Village, Weaver Hall, Thomas Hall and

Buckman Hall. These renovations include adding air conditioning to both Thomas and Buckman Halls (the last two dorms on campus without air conditioning).

Discussion items were then addressed by the Committee:

1. Quarterly Financial Report as of September 30, 2011: The quarterly financial statements were presented with some discussion regarding the change as of 7/1/2011 of the capitalization of equipment from \$1,000 to \$5,000. This totals over \$59,000,000 and represents more than 103,000 items (74% of items tracked but only 26% of the total costs). These items are still being tracked within the departments.

Vice President for Development and Alumni Affairs, Tom Mitchell, gave a brief update on the UFF campaign – Florida Tomorrow. This is a seven-year effort, which started in the fall of 2005, with a goal \$1.5B. With only ten months to go it is doing well with only \$50M still to be raised. December is historically a good month for donations. We are looking to have 100-120 endowed faculty positions soon. A thank you tour of different cities was moved to the last year of the campaign and highlights the programs, students, issues, etc. in their own back yards. Dr. Scott attended one of these events and encourages all board members to try and attend at least one. He feels that it would be very meaningful. Mr. Mitchell will be ready to answer more questions at the next meeting.

2. Construction Update: Assistant Vice President Carol Walker gave a construction update, highlighting the ground breaking with UF, City and County officials on November 30, 2011 at the Eastside campus and answered questions regarding the changes that occurred to construction budgets for several projects. She was asked to provide a summary of major changes in the future, which would be helpful and might answer questions. Trustee Warrington suggested that the construction update be presented in the pre-meeting since it is a large issue so that the Board can ask questions.

Ms. Walker also told the board UF is sharing our space tracking system with Florida Gulf Coast University.

Mr. Fajack gave an update on PECO funds (used for new construction and repair). These monies depend on growth in Florida and the outlook is not expected to be good for the next three years. Florida authorizes bonds for PECO, but the Governor does not want to bond any more money. Matt will be working with a group to come up with other options. UF cannot pledge general obligation bonds or pledge future tuition.

3. J. Wayne Reitz Union Project: Then-Interim Vice President for Student Affairs Dave Kratzer gave an update on Reitz Union project. He expects to bring a request for a bond to the next committee meeting. This project will add 110,000 GSF and renovate another 75,000 GSF. We were expecting to use existing Activity and Service fees to secure and fund the bonds for the expansion portion of the project, which is most of the work, but we will need to fund the costs of the renovations through the Capital Improvement Trust Fund and other resources. Mr. Fajack is working with the Division of Bond Financing.

4. University of Florida Investment Management Company: Chief Investment Officer Doug Wynkoop provided a presentation on UFICO, including an overview of the current position and the endowment's performance over the years in comparison to benchmarks and peers.

5. Employee Recognition: Gene Brandner from Facilities and Planning was presented with a plaque by Interim Vice President for Business Affairs Bob Miller in recognition of forty years of service. Gene, a licensed architect, has served as project manager on many projects and has saved the University a great deal of money over the years.

This ended Trustee Scott's report.

Trustee Marshall Criser, III, presented the report of the Committee on Governance to the Board. All Committee members were present and unanimously approved the Minutes from its meetings of June 9, 2011 and September 6, 2011. The Committee welcomed new Board and Committee member Susan Cameron and thanked her for making a commitment to our Board and Committee.

The following action items were unanimously approved for recommendation to the Board.

GV1 Amendment of President's Contract. The Committee approved and recommended to the Board the extension of President Machen's contract for one year through December 31, 2013. The extension would allow the Chair and President Machen to mutually set an earlier contract end date in 2013, if desired, at no cost to the University. There are no new amounts and no salary increase. For 2013, the existing retirement contribution paid annually under the current contract will be paid in the last month of the Dr. Machen's service as president. Dr. Machen will also have a 90-day transition leave at the end of his service as president, during which he will be available for consultation in a mutually arranged and convenient manner. The University is in an unprecedented time of budget cuts, and is presented with the opportunity to help the State transition to an innovation economy and to continuously enhance the quality of education, accountability and transparency. At the same time, the Florida Tomorrow Campaign is an extraordinary success and the University has an opportunity to maximize its results beyond what anyone could have imagined. These times and opportunities demand strong and consistent leadership. For these reasons, Chair Alfonso has requested the extension of President Machen's contract from December 31, 2012 to December 31, 2013, so he can provide that leadership. All state University boards, including this one, have gone through enormous, once-in-a-decade transition in membership driven by a statute. This year will be the Board's opportunity to work together as a board to plan for the future. We expressed appreciation to President Machen and Mrs. Machen for Dr. Machen's willingness to lead the University for this additional time.

Vice President and General Counsel Jamie Keith gave the Committee a brief summary of each of the Resolutions in your materials. In addition to the provisions already summarized, she noted that the tax code is in flux, and to avoid potential tax effects of different vesting and payment dates, amounts under the current contract will be paid when they are vested. The Chair retains his authority to approve payment of amounts vested in January in the immediately

preceding December. The Chair and President will agree to the Resolutions as a contract amendment; further documentation is unnecessary because the amendments are few and are set out in the Resolutions.

During discussion, Trustee Scott added that he was aware of other institutions taking steps to retain their leadership in these troubled economic times and wanted to express his appreciation for President Machen's strong leadership, willingness to stay on for an additional year, and support of what is already an extremely successful Florida Tomorrow Campaign. Chair Alfonso noted that President Machen has led the University through the difficult budget cuts of the past few years and has positioned the University very well for going forward. He thanked both President and Mrs. Machen for their decision to remain with the University for an additional year. On the motion of Trustee Roberts, with her expression of appreciation for President Machen's financial and other leadership, and a second by Trustee Heekin, the Committee unanimously voted to recommend that this Board approve GV1 on the Consent Agenda to extend President Machen's Contract.

The Committee had one discussion item:

President Machen's long-range goals for 2011-2012. President Machen distributed draft goals to the Committee. All Board members now have a copy. President Machen briefly discussed each goal and the goal setting process. The goals were discussed at this meeting; President Machen invites Board members to contact him to discuss any of the goals and their ideas; and a vote to approve final goals can follow. Trustee Brown suggested the addition of a goal to develop a plan for funding alternatives for the University. President Machen agreed that this is a worthy goal and should be added. He noted that the graduate education review initiative currently underway could result in the addition of goals next year.

The Committee next met in closed session to receive a report regarding collective bargaining. This ended Trustee Criser's report.

Chair Alfonso thanked the chairs for their reports. He commented that the Committees had a lot of hard work yesterday and thanked the chairs and the Committees for their good work. Vice President and General Counsel Jamie Keith noted that all Trustees have received a voting conflict disclosure from Trustee Heekin in relation to Full Sail University and read the disclosure into the minutes as required by State law. A copy of the disclosure is attached to and incorporated in the minutes as Exhibit A. Trustee Heekin, who has had no role in the Full Sail matter, elected to also abstain from voting and discussion. Chair Alfonso then called for a motion to approve the Consent Agenda items. Trustee Brown made the motion which Trustee Warrington seconded and the motion was passed unanimously (with Trustee Heekin abstaining from the Full Sail action). Chair Alfonso then asked for a motion to approve the non-consent agenda item on naming, FF2. Trustee Cameron made the motion which Trustee Roberts seconded and the motion was passed unanimously.

Chair Alfonso then recognized Ben Meyers for his service to the Board and read the resolution presented to him by the Board. Next, he recognized President Machen and thanked him for his service to the University and for agreeing to continue as President. He noted Ed

Poppell was not in attendance, and acknowledged that his last day as Vice President of Business Affairs was November 30. Ed served the University in various capacities for 40 years and he will now serve the University in a new role focusing on Innovation Square and St. Augustine beginning next year.

Chair Alfonso continued by mentioning other items of interest. In November, UF announced that Dr. H. James Free, a member of the College of Medicine's first graduating class of 1960 and his wife, Carole, made the lead gift toward the construction of a 100,000 square foot medical education building, to be located next to the Health Professions, Nursing and Pharmacy Building on Newell Road.

The Full Sail University collaboration is a keystone piece of the University's new Accelerated Market Priorities programs designed to help the University respond quickly to changing needs of industry and the markets.

There will be a ground breaking on Tuesday on a new data center at the East Campus on Waldo Road. The 15,000 square foot building will house a dedicated High Performance Computing Center. This marks the latest sign of progress at the East Campus, a former DOT maintenance yard that now houses an office building, a hurricane research facility and is home to more than 400 employees. UF's growing presence is clearly an economic driver in that area.

On January 11, 2012, we will hold the official grand opening of the Florida Innovation Hub, the super business incubator that is the first building of what will become Innovation Square on Southwest Second Avenue just east of campus. The guest of honor will be U.S. Assistant Secretary of Commerce for Economic Development John Fernandez, who was on hand for the groundbreaking. The Hub already counts more than a dozen tenants and word is spreading that the Hub and Innovation Square are quickly becoming the new hot spot for economic activity.

Chair Alfonso continued by commenting on Dr. Machen's presentation. Dr. Machen spoke of the flexibility of Full Sail, about globalization to partner with whomever we need, the ability to go wherever makes sense in our statewide mission and state, national and international impact. In the last 5 years, and with the vision and prudence of the Board's and President Machen's leadership, UF has been able to take steps forward and is ready to continue its progress to achieve its goals as Florida's Flagship University. The notion of appropriate independence is a journey that other schools have undertaken and we must undertake cooperatively with our State. The Legislature, the Governor, and the BOG understand we are an engine to help this State increase its productivity.

The Trustees and audience were invited downstairs for a brief presentation from President Machen. The meeting was adjourned at 11:27 a.m.

Attachment: Trustee Heekin's voting conflict disclosure

FORM 8A MEMORANDUM OF VOTING CONFLICT FOR STATE OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME Heekin, W. Michael		NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE University of Florida Board of Trustees	
MAILING ADDRESS 930 Greyfield Place		NAME OF STATE AGENCY University of Florida	
CITY Atlanta, Georgia	COUNTY Fulton	MY POSITION IS: <input type="checkbox"/> ELECTIVE <input checked="" type="checkbox"/> APPOINTIVE	
DATE ON WHICH VOTE OCCURRED December 1-2, 2011			

WHO MUST FILE FORM 8A

This form is for use by any person serving at the State level of government on an appointed or elected board, council, commission, authority, or committee. It applies equally to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

Your responsibilities under the law when faced with voting on a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing the reverse side and filing the form.

INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

ELECTED OFFICERS:

As a person holding elective state office, you may vote on a measure which inures to your special private gain or loss; to the special gain or loss of a principal by whom you are retained (including the parent organization or subsidiary of a corporate principal by which you are retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. However, if you vote on such a measure you must complete this form and file the form within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes.

For purposes of this law, a "relative" includes only your father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with you as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

* * * * *

APPOINTED OFFICERS:

As a person holding appointive state office, you may vote on a measure which inures to your special private gain or loss; to the special gain or loss of a principal by whom you are retained (including the parent organization or subsidiary of a corporate principal by which you are retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. However, you must disclose the nature of the conflict before voting or before making any attempt to influence the decision by oral or written communication, whether made by you or at your direction.

For purposes of this law, a "relative" includes only your father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with you as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:

- You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes.
- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION OR VOTE AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

DISCLOSURE OF STATE OFFICER'S INTEREST

I, W. Michael Heekin, hereby disclose that on December 1-2, 20 11 :

(a) A measure came or will come before my agency which (check one)

- ☐ inured to my special private gain or loss;
☐ inured to the special gain or loss of my business associate, _____;
☒ inured to the special gain or loss of my relative, James F. Heekin, Jr.;
☐ inured to the special gain or loss of _____, by
whom I am retained; or
☐ inured to the special gain or loss of _____, which
is the parent organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

Reference is made to University of Florida Board of Trustees Resolution R11-90 concerning an educational collaboration of the University of Florida with Full Sail University.

My brother, Jim Heekin, and the Orlando law firm in which he is a partner, Lowndes, Drosdick, Kantor & Reed, P.A., have represented Full Sail University as general counsel since 1992. In its role as general counsel, the Lowndes firm has been asked to represent Full Sail University in the negotiation of the proposed collaboration agreement with the University of Florida. The firm customarily bills its clients (including Full Sail) for the legal work performed on their behalf. The outcome of the proposed collaboration between Full Sail and the University of Florida does not affect the amount of fees due to the Lowndes firm by Full Sail. The net revenues of the firm accrue to the financial benefit of its partners, including Jim Heekin.

11/29/11

Date Filed

Michael Heekin

Signature

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED \$10,000.