



**UNIVERSITY OF FLORIDA BOARD OF TRUSTEES
COMMITTEE ON GOVERNANCE
COMMITTEE MINUTES
September 3, 2015
Austin Cary Forest Learning Center
10625 NE Waldo Road, Gainesville, Florida 32609
Time Convened: 4:25 p.m. EDT
Time Adjourned: 5:10 p.m. EDT**

1.0 Verification of Quorum

Acting Committee Chair Susan Cameron asked Vice President, General Counsel and University Secretary Jamie Lewis Keith to verify a quorum. Ms. Keith confirmed a quorum with all members present, other than Committee Chair Heavener.

Committee Members present:

Susan M. Cameron (Acting Chair), David L. Brandon, Christopher T. Corr, Steven M. Scott, David M. Thomas, Anita G. Zucker. Committee Chair James W. Heavener was unable to attend.

Others Present:

Kent Fuchs, President; Joseph Glover, Provost and Senior Vice President for Academic Affairs; Charles Lane, Senior Vice President and Chief Operating Officer; Paula Fussell, Vice President for Human Resource Services; Jamie Lewis Keith, Vice President, General Counsel and University Secretary, William Connellan, Provost's Office—Director/lead labor negotiator; Mike Ford, Senior University Counsel; Ryan Fuller, Senior University Counsel; Becky Holt, Executive Assistant.

2.0 Call to Order and Welcome

Acting Committee Chair Cameron called the meeting of the Committee on Governance to order at 4:25 p.m. EDT, welcoming all present.

3.0 Approval of Minutes

Acting Committee Chair Cameron asked for a motion from a member of the Governance Committee to approve the minutes of the June 4, 2015 committee meeting, which was made by Trustee Zucker and Seconded by Trustee Thomas. The Chair asked for further discussion, after

which she asked for all in favor of the motion and any opposed and the motion was approved unanimously.

4.0 Information/Discussion Items

Action Committee Chair Cameron asks General Counsel Jamie Keith to address the insurance review of UF and UF affiliates.

4.1 UF and Affiliated Organizations Insurance Review Update

General Counsel Keith noted that the insurance consultant and Senior Counsel Mike Ford have developed recommendations for each affiliate reviewed and provided the information to their CEOs. The recommendations of the insurance consultant has been reviewed with the CEOs of the affiliates and the relevant Vice Presidents and are being reviewed with the Self Insurance Program. The SIP has focused on the health affairs endeavor to date and is an expert in insurance. The SIP is the best internal insurance resource available to UF and its affiliates. The Office of the General Counsel is working with the Self Insurance Program and UF Senior Vice President and Chief Operating Officer Charlie Lane to determine whether the SIP could provide or procure the most cost effective group coverage of any insurance gaps. The approach would take advantage of both economies of scale and knowledge of UF to obtain the best pricing. Once all the information has been gathered, final recommendations will be made to the affiliates. We are hopeful that affiliates will see the wisdom of insurance where warranted if we can devise an affordable plan.

4.2 Collective Bargaining

Acting Committee Chair Cameron announced at 4:35 p.m. that the Committee will go into an executive session to discuss collective bargaining strategy.

5.0 Action Items

Acting Committee Chair Cameron resumed the public session at 5:01 p.m. and the Committee considered the following Action Item:

GV1 and R15-156 Collective Bargaining Impasse Process

Acting Committee Chair Cameron asked for a motion to approve GV1 and R15-156, regarding the Collective Bargaining Impasse Resolution Process, which was made by Trustee Brandon, and Seconded by Trustee Zucker. The Chair asked if there were any discussion, after which she asked for all in favor and any opposed and the motion was approved unanimously.

6.0 New Business

There was no New Business to discuss.

7.0 Adjourn

Acting Committee Chair Susan Cameron asked for a motion to adjourn, which was made by Trustee Scott and Seconded by Trustee Thomas. The Acting Chair asked for all in favor and any

opposed. The motion was approved unanimously and the University of Florida Committee on Governance adjourned at 5:10 p.m. EDT.



**UNIVERSITY OF FLORIDA BOARD OF TRUSTEES
COMMITTEE ON GOVERNANCE
COMMITTEE AGENDA**

September 3, 2015

**Beginning at ~4:15 P.M. EDT or immediately after the end of the retreat
for the day and an ~10-15 minute break**

**Austin Cary Forest Learning Center
10625 NE Waldo Road, Gainesville, Florida 32609**

The University of Florida Board of Trustees Committee on Governance will meet on September 3, 2015 at the above-listed location, immediately after a break of approximately 10-15 minutes following the end of the retreat for the day. The above-referenced time is approximate.

COMMITTEE ON GOVERNANCE

Committee Members: James W. Heavener (Chair), David L. Brandon, Susan M. Cameron, Christopher T. Corr, Steven M. Scott, David M. Thomas, Anita G. Zucker

- 1.0 Call to Order and Welcome James W. Heavener, Chair
- 2.0 Verification of Quorum Vice President, General Counsel and University Secretary
Jamie Lewis Keith
- 3.0 Approval of Minutes James W. Heavener, Chair
June 4, 2015
- 4.0 Information/Discussion Items James W. Heavener, Chair
 - 4.1 UF and Affiliated Organizations Insurance Review Update.....
Vice President, General Counsel and University Secretary Jamie Lewis Keith and
Senior Counsel Michael W. Ford

Executive Session

- 4.2 Collective Bargaining

Resume Public Session

- 5.0 Action Items James W. Heavener, Chair

 GV1 and R15-156 Collective Bargaining Impasse Process
 (recommendation to the Board)
- 6.0 New Business James W. Heavener, Chair
- 7.0 Adjourn James W. Heavener, Chair



UNIVERSITY OF FLORIDA BOARD OF TRUSTEES
BOARD ACTION ITEM GV1
September 4, 2015

SUBJECT: Collective Bargaining Impasse Process

BACKGROUND INFORMATION

The United Faculty of Florida (UFF) has declared an impasse in collective bargaining with the University of Florida, and the Board of Trustees will be the legislative body that ultimately acts to resolve the impasse. An impasse may occur in any collective bargaining process. The Board has authorized the Board's Governance Committee to oversee collective bargaining on behalf of the Board, and the proposed action is consistent with the process by which impasses have been resolved previously. However, the proposed Resolution, R15-156, also provides for the Governance Committee to act on this occasion or whenever an impasse arises in the future.

PROPOSED COMMITTEE ACTION

The University of Florida Board of Trustees is asked to approve Resolution R15-156, authorizing and directing the Governance Committee of the Board, in connection with the current impasse and at any time when there is an impasse in any collective bargaining process affecting the University, to: (i) determine a process for hearing UF management's position and the union's position on each impasse issue (which process may relate to a particular impasse or any impasse that may occur at any time); (ii) conduct that process if either UF management or the union rejects the recommendation of the special magistrate who will first hear the matter; and (iii) make a recommendation to the full Board for its approval and resolution of the impasse.

SIGNIFICANT POLICY ISSUES FOR COMMITTEE TO CONSIDER

Board of Governors approval is not required.

Supporting Documentation Included: See attached [Resolution R15-156](#).

Submitted by: Joseph Glover, Provost and Senior Vice President for Academic Affairs



**UNIVERSITY OF FLORIDA BOARD OF TRUSTEES
RESOLUTION**

Number: R15-156

Subject: Collective Bargaining Impasse Process

Date: September 4, 2015

At a meeting duly held on the above date, the University of Florida Board of Trustees ("Board") hereby adopts the following Resolutions:

- (A) That the Governance Committee of the Board of Trustees is authorized and directed to determine a process by which to consider the special magistrate's report, and to hear the University management and union positions, on the resolution of issues that are the subject of impasse in collective bargaining;
- (B) That the Governance Committee of the Board of Trustees is authorized and directed to conduct such process;
- (C) That the Governance Committee of the Board of Trustees is authorized and directed to make a recommendation to the Board of Trustees as to the appropriate resolution of the impasse issues following the Committee's conduct of such process;
- (D) That the actions authorized and directed under Resolutions (B) and (C) shall be implemented if and when either University management or the union rejects the report of the special magistrate who will initially hear and make a recommendation to the Board of Trustees on the resolution of impasse issues; and

- (E) That the authority and direction provided in these Resolutions shall apply to the current impasse declared by the United Faculty of Florida and at any time and from time to time when an impasse is declared in any collective bargaining process affecting the University of Florida.

Adopted this 4th day of September, 2015, by the University of Florida Board of Trustees.



Steven M. Scott, Chair



W. Kent Fuchs, President
and Corporate Secretary



<p style="text-align: center;">ACTION OF THE UNIVERSITY OF FLORIDA BOARD OF TRUSTEES COMMITTEE ON GOVERNANCE</p>

Number: COMMITTEE ON GOVERNANCE ACTION UNDER R15-156

Subject: Collective Bargaining Impasse Process

Date: September 4, 2015

VOTED:

Pursuant to authority granted to the Committee on Governance by the University of Florida Board of Trustees in Resolution R15-156, the Committee, at a duly convened meeting, does hereby vote to adopt the following process by which to consider the special magistrate's report, and to hear the University management and union positions, on the resolution of issues that are the subject of impasse in any collective bargaining process--now in connection with the impasse declared by the United Faculty of Florida, or at any time in the future when an impasse is declared in any collective bargaining process affecting the University--if and when either University management or a union rejects the special magistrate's recommendation:

- a. The Governance Committee will hold a public meeting, at a time during the work day to be included in the meeting notice, to consider the special magistrate's report and to hear the positions of the union and University management on resolution of impasse issues.
- b. The union and University management will each have 30 minutes to make a presentation of its position (20 minutes) and to rebut the other's position (10 minutes).
- c. One person may speak on behalf of each side.
- d. Only the Committee will ask questions, and public comment will not be taken.

- e. A statement of position may be presented by each side, but there will be no witnesses or evidence presented.
- f. Each side will present a draft motion as its proposal for resolution of impasse issues.
- g. The Committee will deliberate and determine a recommended resolution of impasse issues, and the Committee's recommendation will be provided to the Board of Trustees for its approval and resolution of the impasse.
- h. The Board of Trustees will hold a public meeting to receive the Governance Committee's recommendation and to vote on the resolution of the impasse.

Executed as of the 4th day of September, 2015.



Susan M. Cameron, Acting Chair
Committee on Governance



**UNIVERSITY OF FLORIDA BOARD OF TRUSTEES
COMMITTEE ON GOVERNANCE
COMMITTEE MINUTES**

June 4, 2015

Warrington Conference Room, Emerson Alumni Hall

University of Florida, Gainesville, Florida

Time Convened: 9:03 a.m. EDT

Time Adjourned: 9:34 a.m. EDT

1.0 Verification of Quorum

Committee Chair James Heavener asked Vice President, General Counsel and University Secretary Jamie Lewis Keith to verify a quorum. Ms. Keith confirmed a quorum with all members present.

Committee Members present:

James W. Heavener (Chair), David L. Brandon, Susan M. Cameron, Christopher T. Corr, Steven M. Scott, David M. Thomas, Anita G. Zucker.

Others Present:

W. Kent Fuchs, President; Winfred Phillips, Executive Chief of Staff; Joseph Glover, Provost and Senior Vice President for Academic Affairs; Charles Lane, Senior Vice President and Chief Operating Officer; David Guzik, Senior Vice President for Health Affairs and President of UF Health; Jack Payne, Senior Vice President for Agriculture and Natural Resources; Jamie Lewis Keith, Vice President, General Counsel and University Secretary; Mike Ford, Senior University Counsel; Janine Sikes, Assistant Vice President for Media Relations and Public Affairs; Melissa Orth, Senior Director, Government Relations; Becky Holt, Executive Assistant, other members of the University community and members of the media.

2.0 Call to Order and Welcome

Committee Chair Heavener called the meeting of the Committee on Governance to order at 9:03 a.m. EDT, welcoming all present.

3.0 Review and Approval of Minutes

The Committee Chair asked for a motion to approve the minutes of the April 2, 2015 committee meeting, which was made by Trustee Brandon and Seconded by Trustee Cameron. The

Committee Chair asked for further discussion, after which he asked for all in favor of the motion and any opposed, and the motion was approved unanimously.

4.0 Action Items

Committee Chair Heavener turned the Committee's attention to the Action Items and asked Vice President, General Counsel and University Secretary Jamie Keith to present the first item.

GV1. Amendment of Internal Operating Memorandum 01-1

General Counsel Keith stated that as reported at the April Board meeting, the Committee determined that it is important to have a pool of both current and former Trustees as potential directors of UF's most substantial--Category One--affiliates, in order to support the most valuable contributions to the success of these affiliates and the most effective UF oversight. The Committee recognized that some of our Category One affiliates would particularly benefit from specialized expertise and a significant time commitment, and that the mix of expertise and time capacity reflected on UF's Board necessarily changes over time depending on the Board's composition. The Committee members indicated continued interest these points.

Chair Heavener asked for a motion to approve Action Item GV1, Amendment of Internal Operating Memorandum 01-1, which was made by Trustee Cameron and Seconded by Trustee Zucker. The Committee Chair asked for any further discussion, of which there was none, and then he asked for all in favor of the motion and any opposed, and the motion was approved unanimously.

Chair Heavener asked President Fuchs and Board Chair Scott to address GV2. President Fuchs began by asking General Counsel Keith to provide a brief context.

GV2. President's Fiscal Year 2016 Performance Goals

General Counsel Keith explained that the President's Contract calls for the President and Board Chair annually--on a Fiscal Year Schedule beginning with Fiscal Year 2016--to propose short-term and long-term performance goals for the President, including those that will advance the University toward top-10 public AAU university stature. Margins for 100% and 75% achievement of the goals are to be included, allowing for the proposal of real goals in a fair manner.

President Fuchs noted that the goals he and Chair Scott propose have been provided to the Committee and all members of the Board. He indicated that the goals concern significant strategic subjects, including research growth, faculty, endowment, the graduate program, diversity, and support of "one-UF." It is also noteworthy that the first goal is the completion of the UF-wide goal-setting process and strategy, which is underway with a faculty-driven Goal-Setting Task Force. Once the UF-wide goals are established, the Committee will review the President's long-term goals to ensure their alignment with the UF-wide goals. General Counsel Keith explained that performance against Fiscal Year 2016 goals will be assessed by the Governance Committee and reported to the Board in June 2016. The assessment will be based on the data from the last closed Fiscal Year as well as projections for the about-to-end Fiscal Year for those metrics with good data available at the time.

Board Chair Scott gave his full support of the goals and indicated that the President will build on them going forward. The goals will evolve over time as they are not static and have to respond to progress made and changes in some factors that are beyond UF's or the President's control. It is important to recognize that to really advance to a top 10 or better public AAU University stature that UF has to achieve some goals that have a 10-year trajectory and depend on building our endowment for faculty support. It will be hard work but thoughtful plans for advancement are meaningful and critical in this process.

The Committee discussed the goals. Board Vice Chair Thomas suggested, and the Committee strongly supported, a minor clarifying amendment to the implementation section of the proposed goals to reflect that any goal is met at the 75% or 100% level if it is substantially met and the goals in GV2 on the Consent Agenda include the word "substantially" before "met" each place where located in the implementation section. (This will be incorporated in the goals document.)

Chair Heavener asked for a motion to approve Action Item GV2, President's Fiscal Year 2016 Performance Goals, which was made by Trustee Zucker and Seconded by Trustee Brandon. The Committee Chair asked for any further discussion, of which there was none, and then he asked for all in favor of the motion and any opposed, and the motion was approved unanimously.

GV3. Emergency Contracting Authority of the Board Chair

Board Vice Chair Thomas indicated that the Board as a whole (but not individual Trustees) has contracting authority for UF and acts as a board to delegate that authority to UF officials. Generally, if an outside expert is needed to advise the Board or to advise administrative areas, an authorized senior administrator negotiates and executes the contract. As a matter of good governance, which gives the Board Chair, acting in an executive capacity and after notifying the Vice Chair, the authority to contract with expert consultants in the unlikely event that the relevant senior administrators, who would otherwise handle the contract, have unmanageable conflicts and the Board needs a legal, financial or other expert advisor. The need for this authority is unlikely to arise, the circumstances would be rare, and we do not have anything specific in mind--but it is a prudent, good governance practice to have that authority in place if the need were ever to arise. The Action Item retains the line between management by senior administration and governance by the Board. The Committee noted that it is sensible to prepare in advance for an emergency should one arise.

Chair Heavener asked for a motion to approve Action Item GV3, Emergency Contracting Authority of the Board Chair, which was made by Trustee Cameron and Seconded by Trustee Zucker. The Committee Chair asked for any further discussion, of which there was none, and then he asked for all in favor of the motion and any opposed, and the motion was approved unanimously.

5.0 Discussion/Informational Items

Committee Chair Heavener turned the Committee's attention to the discussion items and asked President Fuchs and Board Chair Scott to address the first item.

5.1 Trustee Development: Qualifications and Needs

President Fuchs discussed the importance of having the right mix of leaders from inside and outside of Florida with a broad range of expertise on the Board for the advancement of UF and reviewed a document on desired qualifications for Trustees.

Board Chair Scott indicated that it is important to encourage interest by the best talent from inside and outside Florida who can contribute the full range of expertise needed by the Board. It is also important that all communications on behalf of UF with the Board of Governors' leadership and with the Governor's Office about Trustee appointments be managed by the Board Chair with the President to avoid causing confusion at the Board of Governors and in the Governor's Office from different messages as to whom UF supports as a Trustee. Otherwise, UF will lose important opportunities to recruit the best mix of Trustees for the University.

It was noted that the Governor and Board of Governors appoint UF's Trustees, but the Board Chair and President are asked for input by the BOG, and sometimes by the Governor. To take any such opportunity, the Committee discussed and reviewed favorably a range of expertise, contacts, experiences, and qualities that contribute to having the right mix of leaders on UF's Board to advance the University in its top 10 and other goals. UF is very fortunate to have a talented and dedicated Board and seeks to maximize the opportunity to ensure that we continue to have this important resource.

5.2 Proposed Cycle for Committee Review of Category 1 Affiliates

General Counsel Keith noted that in December 2014, the Committee concluded 18 months of meetings with UF's Category One affiliates' Chief Executive Officers. The purpose of the meetings was to understand the alignment of these organizations' missions with UF's mission and to confirm that good governance and enterprise risk management practices are in place. This was done—not out of any specific concern, and not to diminish the governance role of each organization's own board—but rather as part of the UF Board's fiduciary oversight duty. While helpful, the Committee determined that these meetings need not occur every year and asked President Fuchs and General Counsel Keith for a proposed two-to-three-year staggered meetings schedule. The Committee favorably reviewed the proposal, which is in the Board's materials and will result in each Category One affiliate's Chief Executive Officer meeting with the Committee on a two- or three- year cycle.

6.0 New Business

Committee Chair Heavener asked if there was any new business.

Ms. Keith updated the committee on the Supreme Court Sovereign Immunity case and that we will be reviewing our DSO's to make sure we are in compliance.

Ms. Keith also reminded the Committee that the Trustees' guests at lunch are the Goal Setting Task Force.

7.0 Adjourn

With no further business to conduct, Committee Chair Heavener asked for a motion to adjourn, which was made by Trustee Cameron, and a second, which was made by Trustee Zucker. The Chair asked for all in favor and any opposed. The motion was approved unanimously and the University of Florida Committee on Governance adjourned at 9:34 a.m. EDT.