

UNIVERSITY OF CENTRAL FLORIDA
UCF Athletics Association, Inc.
May 16, 2022

Fourth Amended and Restated Bylaws of the UCF Athletics Association, Inc.

Information Discussion Action

Meeting Date for Upcoming Action: May 25, 2022 UCF Governance Committee

Purpose and Issues to be Considered:

The Fourth Amended and Restated Bylaws of the UCF Athletics Association, Inc. (UCFAA) are being presented to the board to consider approval and recommendation to the Governance Committee and Board of Trustees for further action. The UCFAA adheres to review processes to ensure full transparency and oversight in alignment with President Cartwright's strategic goal of building a culture of trust, engagement and accountability.

The UCF General Counsel's office and the Associate Vice President for DSOs worked together to on developing template bylaws, which were used to draft UCFAA's proposed Forth Amended and Restated Bylaws. The following revisions are recommended to mitigate risks of potentially disregarding corporate structure and aid board member compliance to laws, statutes and regulations:

ARTICLE I

- Purpose and Mission - Mission language and office location was added.
- Director appointed by chair of BOT - To better track the DSO statute, revise Art. II, section 1.B. to state "[A]t least one University of Central Florida Board of Trustees (BOT) representative appointed by the Chair of the BOT."

ARTICLE II

- Board member terms - Board members should serve three-year terms. (Section 2)
- Selection of Board Chair – The Board Chair should be selected by the President of UCF and must be a member of the Board. Bylaws should remain flexible regarding whether the Chair must be a volunteer. (Section 12.)
- Delegation from University President to DSO officers/staff - University President's direct authority over DSO is in appointment and removal of Board members. Emphasizing delegations or other line authority from President to DSO CEO risks collapsing corporate separateness and losing liability protections that DSOs were created to provide.
- Board's power to delegate actions (Section 6.F.) - To authorize the CEO, other Officers, and the corporation's senior management to take action(s) as directed by the Board."
 - To annually approve the corporation's operating budget as well as any material changes to the budget, and then submit the budget to the University of Central Florida Board of Trustees for approval (Section 6.H.)
 - To annually submit to the University of Central Florida Board of Trustees and the Board of Governors its federal Internal Revenue Service Return of Organization Exempt from Income Tax filing (Form 990). (Section 6.I.)
- Who can call Board meetings - (Section 7.B.) Revised to the Board Chair, Vice Chair, CEO, or two members of the Board.

- Separation of Board Members and Corporate Officers – Revised to clearly separate officers of the board and officers of the corporation and make clear that corporate officers are not members of the Board. Board officers will be Chair and Vice Chair. To avoid risks of non-compliance of Sunshine laws, a UCF Vice President is no longer required to be a Vice Chair and will be selected by the Board of Directors. Corporate officers will be the CEO, Secretary and Treasurer. (Section 12 and Art. II).

ARTICLE V.

- Operating Budgets - Section 2. Operating Budgets have been removed and moved to Art. II, Section 6.H.

ARTICLE VIII

- Indemnification - Revised pursuant to Florida Statutes, Sections 607.0850 and 617.0831. (Section 5)
- Ethics and Financial Disclosure – Added compliance language pursuant to Sunshine Laws, Public Records Law and Code of Ethics for Public Officers and Employees (Section 6)
- Detailed Amendment History – Added as recommended by UCF Audit to include Governance Committee and Board of Trustees approvals.

Background Information:

June 18, 2020, the UCF Board of Trustees was provided an emerging issues report of the UCF direct support organizations. The objective of the review was to look for best practices in governance and management practices, and to make recommendations based to ensure clear and consistent guidelines are in place for direct support organizations success and to minimize risks to UCF. The report identified numerous inconsistencies across the direct support organizations including inconsistent provisions in the bylaws, operating agreements, financial reporting, and board member terms. On April 14, 2021, the Governance Committee of the university’s Board of Trustees unanimously approved governance recommendations related to the university’s DSOs and affiliated organizations.

Recommended Action:

The Board is being asked to adopt the Fourth Amended and Restated Bylaws of the UCF Athletics Association, Inc. with an effective date of July 1, 2022 and subsequent recommendation for adoption to the UCF Governance Committee on May 25, 2022 and BOT on May 26, 2022.

Alternatives to Decision:

Modify or reject the Fourth Amended and Restated Bylaws of the UCF Athletics Association, Inc.

Fiscal Impact and Source of Funding N/A

Authority for Board of Trustees Action: N/A

Florida Statute 1004.28

Florida Board of Governors regulation 9.011

UCF Regulation 4.034

Contract Reviewed/Approved by Attorney Liaison N/A

Attorney Liaison has approved adding this item to the agenda

AVP for DSOs has approved adding this item to the agenda N/A

Chair of the Board has approved adding this item to the agenda

Submitted by:

Youndy Cook, Vice President and General Counsel

Margaret Jarrell-Cole, Associate Vice President for Direct Support Organizations

Jordan Clark, Associate General Counsel

Supporting Documentation:

Attachment A: Proposed Fourth Amended and Restated Bylaws

Attachment B: Third Amended and Restated Bylaws 2019

Facilitators/Presenters:

Jordan Clark, Associate General Counsel