



FLORIDA INTERNATIONAL UNIVERSITY
Miami's public research university

THE FLORIDA INTERNATIONAL UNIVERSITY BOARD OF TRUSTEES

MINUTES

WEDNESDAY, 12 MARCH 2003

BOARD MEETING

FLORIDA INTERNATIONAL UNIVERSITY

UNIVERSITY PARK CAMPUS

GRAHAM CENTER BALLROOMS

MIAMI, FLORIDA

I. CALL TO ORDER

Chairman Henriques convened the meeting of the Florida International University Board of Trustees at 9:00 a.m., on 12 March 2003, at Florida International University, University Park Campus, Miami, Florida.

The following attendance was recorded:

PRESENT:

Betsy S. Atkins

Rafael A. Calderón

Albert E. Dotson, Sr.

Patricia Frost

Adolfo Henriques

Miriam López

Jessica Morffi

David R. Parker

Sergio Pino

Claudia Puig

Howard Rock

Rosa Sugrañes

Herbert A. Wertheim

Modesto A. Maidique

SPECIAL GUEST OF THE BOARD:

Donald E. Lefton, FIU Foundation Board of Directors Chairperson

A silent roll was taken by Tina Vidal.

II. CHAIRMAN'S REMARKS

Chairman Henriques welcomed everyone to the Board of Trustees meeting. He recognized several members of the Foundation Board present and noted that it is critical for the Trustee Board and the Foundation Board to continue working closely.

Chairman Henriques stressed that the Foundation and Trustees share one task: to ensure that FIU becomes a world-class, public higher education institution for the community. He noted that both are committed to one purpose: to help FIU continue to move forward even while facing difficult budget constraints and incredible competition encountered throughout the state. Chairman Henriques expressed the importance of remaining focused on the need for the State of Florida to make a commitment to higher education funding that is consistent and sustainable. He noted the importance of staying focused on achieving equity funding for the University.

Chairman Henriques commented on the extraordinary progress the University is making, noting that University accreditations continue to remain at the highest levels. He noted that there are more than a dozen buildings and projects in development totaling in excess of \$230 million. The Chairman indicated that fundraising efforts are continuing strong. He noted the importance of Trustees contacting key legislators to express the significance of maintaining consistency in funding for the University system.

Chairman Henriques indicated that there had been two requests made to address the Board. He requested Joan Baker, President of the United Faculty of Florida address the Board.

III. REQUESTS TO ADDRESS THE BOARD

A. United Faculty of Florida, FIU

Joan Baker, President, UFF, FIU, introduced the President-Elect of the UFF, FIU Chapter, Alan Gummerson. She requested that the Board of Trustees voluntarily recognize the United Faculty of Florida as the collective bargaining agent, outlining the importance such recognition to the faculty at FIU. (*See Appendix A*).

Chairman Henriques thanked Joan Baker for her comments and noted that the Trustees would be discussing collective bargaining during the Transition/ Academic Policy and Student Affairs Committee presentation.

Chairman Henriques requested, Martha Pelaez-Nogueras, Vice-Chair of the Faculty Senate address the Board.

B. FIU Faculty Senate

Martha Pelaez-Nogueras, Vice-Chair Faculty Senate, discussed the budgetary crisis faced by the University and its impact on the faculty, the legislative work performed by the faculty, and faculty governance. (*See Appendix B*).

Chairman Henriques thanked Martha Pelaez-Nogueras for her report and requested the Foundation report from Donnie Lefton

IV. FOUNDATION REPORT

Foundation Chair Donald Lefton thanked Mr. Henriques for his remarks at the beginning of the meeting regarding the symbiotic relationship between the Foundation Board and the Board of Trustees. Mr. Lefton reported that through January 31, 2003 the Foundation fiscal year to date revenues totaled \$5.1 million, not including the investment losses, which totaled \$3.6 million for the seven-month period. He noted that expenses for the same period totaled \$3 million. Mr. Lefton noted concerns regarding the war, which was detrimental to consumer confidence and has affected markets drastically in a negative way. He reported that in an effort to preserve capital in the short term, the Board of Directors Finance Committee, chaired by Bill Graham, had established a new account with the Florida State Treasury. He noted that the funds had produced an average return of 5.6 percent over the last five years. Mr. Lefton reported that the Foundation transferred \$2 million into the new account and is monitoring the situation closely. He added that the Foundation's current asset allocation has 47% in equities, 38% in fixed income, and 15% in alternative investments.

Mr. Lefton reported that the Foundation Board had three new members: Don Brown, President and General Manger of WTVJ, NBC 6; Noel Alvarez, Chairman and CEO of Quantam Medical Technologies; and Tom Kuntz, Chairman, President and CEO of SunTrust Bank.

Mr. Lefton noted that the Foundation Board named a Marketing Committee, chaired by Ray Marchman. He noted Mr. Marchman was working with Dale Webb in the Division of External Relations and Howard Lipman in the Division of University Advancement to hire a public relations firm to help market the University in the community. He noted the Foundation had interviewed five national firms. He commented that the Foundation hoped to hire a firm before summer 2003.

Mr. Lefton indicated that the Foundation had scheduled a half-day retreat scheduled for May 17, 2003 at the Ritz Carlton in Key Biscayne to discuss the capital campaign and a number of other items.

He also mentioned that he participated in the Food and Wine Festival coordinated by FIU and Southern Wine and Spirits. He commented that the marketing was sensational and that FIU did an excellent job. Mr. Lefton also noted that the University completed a successful film week at the Film Festival.

Mr. Lefton concluded his reported.

Chairman Henriques thanked Chairman Lefton for his report and asked President Maidique to give the University Report.

V. UNIVERSITY REPORT

President Maidique reported that the Department of Homeland Security awarded FIU a significant grant. Dr. Maidique introduced Port and Gary Grande from Public Safety. The President noted that Port, FIU's first canine officer, was trained in Maine and that FIU is one of only six programs performing research on the frequency necessary for certifying security-trained dogs. He noted that Port would be used to help increase FIU's safety measures. President Maidique thanked Dr. Ken Furton, Chief of FIU Police Jesse Campbell and Officer Gary Grande for their efforts in this area.

President Maidique commented on the budget situation indicating its negative impact on the University and noted the Finance and Audit Committee would have more information to present during their report.

President Maidique reported that the Graham Center would be expanding by 31,000 square feet and groundbreaking was scheduled for Spring 2003. He noted the hiring of several new, highly-esteemed faculty at the University indicating their accomplishments, including Dr. Renu, Won Bong Choi, and Skahrat Khizroev. He reported that Mike Telson was retained by the University and helped create the Center for Energy and Technology of the Americas with an initial grant of \$3 million in the hopes of becoming the first federal lab in the Southeastern United States.

President Maidique noted that the College of Business Administration and the Division of Sciences and Information Systems ranked among the top ten in the nation by the *OR/MS Today* monthly journal.

He reported that the Department of Art and Art History received full accreditation for five years after applying for the first time. Also, the Wolfsonian was awarded a three year \$1 million grant from the Department of Education's Art in Education Model Development and Dissemination Program.

President Maidique noted several key students at the University and events coming up at FIU. He asked Provost Rosenberg to speak about the Pines Center Dedication. Provost Rosenberg reported that the Pines Center was critical for FIU's graduate and professional education and FIU's demographic expansion into Southwest Broward.

President Maidique noted that commencement was April 28th and 29th, 2003 and that Trustees Dotson, Pino, Puig and Sagrañes would be participating.

He indicated that the Trustees would be receiving two books by faculty authors, *Building Gotham* by Keith Revell and *Opening a Mountain* by Steven Heine.

President Maidique concluded his report.

Chairman Henriques thanked the President and commended him on the outstanding strides of the University.

VI. APPROVAL OF MINUTES

Chairman Henriques reported that there were three sets of minutes that needed approval because the Board had two intervening nonscheduled meetings.

A motion was made to approve the 13 November 2002 minutes of the Board of Trustees as submitted. The motion was MSC.

A motion was made to approve the 18 December 2002 minutes of the Board of Trustees as submitted. The motion was MSC.

A motion was made to approve the 13 January 2003 minutes of the Board of Trustees as submitted. The motion was MSC.

Before moving to the Committee reports Chairman Henriques noted that each of the Committees had met and submitted its recommendations for the appointments of vice-chairs. He noted that he concurred with those recommendations and appointed the following vice-chairs: Herbert Wertheim to the Transition/ Academic Policy and Student Affairs Committee, Patricia Frost to the Administration and Compensation Committee, Betsy Atkins to the Finance and Audit Committee, and Sergio Pino for state issues and Claudia Puig for federal issues to the Governmental Relations Committee.

VII. COMMITTEE REPORTS

TRANSITION/ ACADEMIC POLICY AND STUDENT AFFAIRS COMMITTEE

1. Transition Committee Report

Trustee Parker first discussed the resolution passed by the Board of Governors defining the duties and responsibilities of the Board of Trustees.

Trustee Parker noted that included in the Trustee packets was a copy of the cross-functional teams that were set up to implement the Millennium Plan approved by the Board of Trustees. He noted the importance of these teams in order to translate the vision into reality.

In terms of University hiring, Trustee Parker noted that the University hired several key administrators including Cal Perkins, Vice Provost for Budget Operation, Marie Seglin and Susan Kennen for Enrollment Services, Lisa Gunther as Director of

Organization-Human Resource Development and Paul Michaud as the Assistant Vice-President of Human Resources.

Trustee Parker indicated that Vice President McGowan provided the committee a PeopleSoft update, noting that the University was on track with the administration phase of implementation. He also noted that the Committee was given a report by VP Breslin regarding sponsored research, indicating that it had improved by a 24% increase in funding year-to-date.

2. Operating Procedure Amendments

Trustee Parker reported that two changes related to the Board of Trustees Operating Procedures needed to be approved. He noted that the first change dealt with the Trustees being appointed to five years with a maximum of two terms under the new governance system, so the Operating Procedures needed be changed from term limits of eight years to ten years. The second item regarded including a section on executive session under Operating Procedures, "Meetings." Trustee Parker reported that Florida Statute provided for executive sessions under two circumstances: litigation discussions and collective bargaining issues.

The following amendments were proposed to the FIU BOT Operating Procedures:

1. **Article I, Membership-** term limits were changed from eight years to ten years:

Board of Trustees' members shall be appointed for staggered 5-year terms and may be reappointed for additional terms not to exceed ten (10) years of service. The President of the Faculty Senate and the President of the Florida International University Student Government Association will be appointed each year.

2. **Article III, Meetings-** the following section regarding Executive Session was added:

Executive Session: The Legislature has provided limited exemptions from the Sunshine law for certain meetings because of the confidential material that must be discussed. When the Board decides to avail itself of any such exemption, it will do so by convening an executive session of the Board.

- A. Pending Litigation: Meetings to discuss pending litigation in which the Board is presently a party before a court or administrative agency may be held in executive session outside the Sunshine, provided the following procedures and conditions are met.

- 1. Counsel for the Board of Trustees must advise the Board at a public meeting that he or she desires an executive session and must state the basis therefore.

2. Only Board Trustees, the Board's attorney(s) and the president of the University may attend a closed executive session to discuss pending litigation. Staff members or consultants are not permitted to attend. The Board must give advance public notice, pursuant to its procedures, of the time and date of the executive session, and must identify the names of the persons who will be attending the closed session.

3. The session must commence with an open meeting at which the Chairman of the Board or his/her designee shall announce the commencement of the meeting, the estimated length of the closed executive session, and the names of the persons attending. At that point, the meeting is closed to all except those whose names have been announced. The executive session may then commence. At the conclusion of the executive session, the meeting must be reopened to the public and the person chairing the meeting shall announce the termination of the closed executive session.

4. A certified court reporter must record the entire executive session. The reporter must record the times of commencement and termination of the executive session; all discussions and proceedings; the names of all persons present at any time; and the names of all persons speaking. No portion of any executive session may be held off the record. The Board must have the court reporter's notes fully transcribed, and the transcript filed with its records custodian. The transcript is exempt from Florida's public records law, and is not to be disclosed until the litigation concludes. Upon the conclusion of the litigation, the transcript becomes part of the public record.

5. The subject matter of the closed session must be confined to settlement negotiations or strategy sessions related to litigation expenditures. The Board may not go beyond these strict parameters. No final action, no vote, and no decisive action may be taken during the closed session. Any final decision to settle a lawsuit, for a certain amount of money, or under certain conditions, is a decision that must be voted upon in a public meeting.

B. Collective Bargaining:

1. Meetings to discuss collective bargaining strategy are completely exempt from the Sunshine law, and may be held in executive session without conforming to any of procedures and conditions required for an executive session to discuss litigation.
2. Attendance at the meeting by staff is limited to those named by the president as having involvement or oversight as to collective bargaining negotiations.
3. All documents created for an executive session on collective bargaining are confidential and exempt from the Public Records provisions.

A motion was made to approve the amendments to the FIU Board of Trustees Operating Procedures as submitted. The motion was MSC.

3. *FIU BOT Policy on Colleges and Schools*

Trustee Parker reported on the proposed Policy on Colleges and Schools. He noted that the policy allowed the President to reorganize and establish colleges and schools, but the authority for individual programs and degrees remained with the Board of Trustees. (See Appendix C).

A motion was made to approve the FIU BOT Policy on Colleges and Schools (P-01.02) as submitted. The motion was MSC.

4. *University Financial System Transition Plan*

Trustee Parker reported that the University was required by the state to prepare a financial transition plan. He noted that the plan had been approved by the CFO of the State of Florida.

A motion was made to approve the University Financial Transition Plan as submitted. The motion was MSC.

5. *Students in Military Service Rule*

Trustee Parker reported that the Students in Military Service Rule allowed students who had to leave school for military service not to be penalized academically or financially.

A motion was made to approve proposed Rule 6C8-3.008, Florida Administrative Code, ("Rule") regarding Students in Military Service and upon approval delegate authority to the University President to approve any subsequent amendments that are based on comments to the Rule received by the University in writing or at a public hearing on the Rule to be held after the Board's action, and to file the rule for adoption. The motion was MSC.

6. *University Direct Support Organization (DSO) Rule*

Trustee Parker reported that the University Direct Support Organization (DSO) Rule discussed the responsibility of the Board of Trustees' oversight and fiduciary responsibility with respect to the direct support organizations.

A motion was made to approve proposed Rule 6C8-6.100, Florida Administrative Code, ("Rule") regarding University Direct Support Organizations and upon approval delegate authority to the University President to approve any subsequent amendments that are based on comments to the Rule received by the University in writing or at a public hearing on the Rule to be held after the Board's action, and to file the rule for adoption. The motion was MSC.

7. *Ph.D. in Nursing*

Trustee Parker noted that the Committee spent some time discussing a Ph.D. in Nursing. He reported that currently there was a 16% vacancy rate of nurses in the State of Florida, indicating that it was difficult to find doctorally prepared nurses to

teach. Trustee Parker noted that from a community standpoint there seemed to be a create need for this program.

A motion was made to approve the Ph.D. in Nursing as submitted. The motion was MSC.

Trustee Parker noted that the Transition Committee spent considerable time discussing the status of collective bargaining. He noted that both Howard Rock and Joan Baker discussed collective bargaining in detail at the Committee meeting.

A motion was made to put collective bargaining on the agenda. The motion was MSC.

Trustee Parker asked General Counsel Christina Mendoza to discuss the responsibility of the Board with respect to collective bargaining. General Counsel presented the requirement of collective bargaining for all Florida public universities based on Florida Law. She noted that the University Board was the sole public employer for the purpose of collective bargaining as stated by the resolution passed by the Board of Governors on January 7, 2003. General Counsel indicated that the law, which was enacted in 1974, is called the Public Employees Relations Act (PERA).

General Counsel outlined the major components of the law and defined the process for a request for a group to represent employees.

General Counsel noted that prior to January 7, 2003 FIU had four unions representing its employees: the United Faculty of Florida, the Police Benevolent Association, the Florida Nurses Association, and the American Federation of State, County and Municipal Employees. General Counsel indicated that the only one that had approached and engaged recognition was the UFF and outlined the steps taken so far. On December 20, 2002 the UFF filed the RC petition with PERC stating that 663 out of 935 employees signed showing of interest statements. On January 8, 2003 PERC issued a notice of sufficiency. February 7, 2003 the hearing officer issued his recommended order finding that as of January 7, 2003 each Board of Trustees was the public employer at each appropriate university. That recommendation was submitted to PERC and the University is waiting for PERC to issue its final order adopting who is the public employer. Once that happens PERC will determine the appropriateness of the unit.

General Counsel concluded her report.

Trustee Parker noted that it is clear for the General Counsel's presentation and from the Committee's recommendation to the Provost and the President that the Board look to the Provost and the President to negotiate in good faith with the union and it is the Board's responsibility to review and ratify the agreement reached. Trustee Parker asked the President and the Provost to discuss where FIU stood regarding collective

bargaining and their recommendations. The President requested Provost Rosenberg give remarks about collective bargaining since Academic Affairs was directly under him. (See Appendix D).

Discussion ensued on the composition of the UFF unit at FIU.

President Maidique noted that he would like to request that once PERC made its determination, since as the Provost indicated the University and the UFF are not going to reach concurrence, that the Board give the President the authority to proceed once an agreement had been reached regarding the nature and composition of the bargaining unit.

Chairman Henriques asked General Counsel if the Board could fulfill the President's request, as stated above, independent of recognizing the bargaining unit. General Counsel affirmed, noting that a PERC ruling could take several months. General Counsel also restated the President's request indicating that once PERC had made its determination the President requested the Board instruct the University to move forward with collective bargaining.

Trustee Lopez motioned to accept the University President's recommendation that once PERC had ruled on the composition of the unit the Board give the President authority to proceed with the collective bargaining process once PERC had ruled on the composition of the unit.

Trustee Rock requested for a clarification and restatement of the motion. Trustee Lopez stated the following, "To recommend that the President as CEO of this University be allowed to begin collective bargaining with UFF after PERC has made its determination" as to the bargaining unit. Trustee Rock noted that he could not support the motion.

Chairman Henriques indicated that he was a firm believer that management should not be part of a collective bargaining unit, noting that he absolutely agreed with the recommendation by the President and the motion set forth by Trustee Lopez.

Trustee Wertheim indicated concern that perhaps the Board should wait for a PERC ruling regarding the composition of the unit. Trustee Parker expressed concern regarding time issues, noting that the next BOT meeting was not scheduled until 19 May 2003. Trustee Wertheim noted that the motion should be stated so nothing would be done until PERC officially ruled on the composition of the bargaining unit.

The motion was adopted with one opposed.

ADMINISTRATION AND COMPENSATION COMMITTEE

8. Compensation Committee Report

Trustee Dotson reported that the Administration and Compensation Committee met on 03 February 2003 and discussed the role and scope of the Committee. He noted that the original task of the Committee was to annually review, evaluate and provide adequate compensation for the President. Duties also included the review of the University President's evaluation of the Executive Vice Presidents. Trustee Dotson indicated that in view of the governance changes, the oversight role of the Committee is likely to expand to include the development of a human resource system for the University as outlined under Articles 19, 21, and 22 of the state resolution adopted by the Board of Governors on January 7, 2003. He noted that the extent of the expansion was yet to be determined, however the Committee would be discussing it and providing a recommendation to the Board.

Trustee Dotson reviewed for the Board of the steps taken by the Administration and Compensation Committee. He reported that in 2001-2002, the Board approved a consulting firm that conducted a study of presidential compensation practices at comparable institutions and made recommendations that were included in the compensation decision-making process. He also noted that the Committee developed and followed a standard evaluation format for the President's review process as recommended by the Association of Governing Boards (AGB). Trustee Dotson reported that the Committee had reviewed and adopted "Good Practice" guidelines as recommended by the AGB, as well as a timetable to conduct a yearly performance and compensation review of the President. The review process includes both a summary report of the accomplishments from the President and input on the President's performance from the Board members. Trustee Dotson reported that a set of questions that would be sent to the Trustees for the 2002-2003 evaluation of the President were included in the Trustee packets for their review. He noted that Vice President Telles-Irvin would be coordinating the questionnaire phase of the review process and would be contacting each Trustee during the month of April.

Trustee Dotson reported that an initial contractual agreement for the President was prepared by the Committee and reviewed and approved by the Board in 2002. He noted that included in the Trustee packets was a memo from the former Chair of the Committee, Paul Cejas, regarding recommendations for a future review of the President's contract and compensation package.

Trustee Dotson concluded his report.

FINANCE AND AUDIT COMMITTEE

9. Finance Committee Report

Trustee Sugañes reported that the Finance and Audit Committee met in February 2003 and reviewed the role and scope of the Committee. She noted that it is the

responsibility of the Finance and Audit Committee to work closely with University Staff to review the University budget and research new revenue sources. The Committee also serves as an oversight body for such issues as evaluation of all policies related to financial affairs and oversight of all matters relating to University financial accountability or reporting. She noted the Committee's challenge was to give the best possible advice in the area of finance to the President and his staff and to support them in carrying out the goals of the University.

Trustee Sagrañes reported that the Committee and Board face a year of very tight budget situations for higher educations, both within the state and nationally.

Trustee Sagrañes noted that included in the Trustee packets was a copy of the FIU Foundation's audit report as of June 30, 2002. She reported the audit was conducted by an independent accounting firm, Rachlin, Cohen, and Holtz. Based on the results of the audit, the opinion of the auditors was that the financial statements were presented fairly and were in conformity with generally accepted accounting principles. Furthermore, all results disclosed no instances of noncompliance. Trustee Sagrañes noted that there was a discrepancy in the auditor's report. She indicated that the auditor acknowledged in a subsequent communication that certain funds allocated by the Foundation were mislabeled by Rachlin, Cohen and Holtz. A correction had already been made to the auditor's report. She noted that it was an excellent audit and congratulated the Foundation on its meticulous record keeping and sound financial policy.

Trustee Sagrañes reported that Vice President John McGowan presented the Committee with an update on the PeopleSoft implementation. He reported that the application configuration of the student administration phase had been completed and admissions development was on track with an estimated completion date of April 2003. VP McGowan reported to the Committee that the student administration phase was expected to go online Summer 2003 and the admissions and production for prospects and applicants would be online by Fall 2004. Trustee Sagrañes reported that, to date, the implementation was coming under its estimated cost to date and that CIBER, Inc had been selected to implement the financial portions of PeopleSoft.

Trustee Sagrañes reported that the Committee reviewed a summary of pending legal actions involving the University, noting that there was nothing significant to report.

10. Wolfsonian Annex Purchase

Trustee Sagrañes reported that the Committee was recommending the Board approve the Wolfsonian Annex purchase. She noted that in 1998, FIU signed an agreement to lease a 35,000 square foot building and the parking facility from Washington Storage Corporation for the storage and conservation of the Wolfsonian Museum Collection. She noted that two years ago the FIU Foundation received a gift earmarked for purchasing the property. The donation was matched by the State through the Courtelis

Facilities Enhancement Challenge Grant Program and was sufficient to cover the purchase as well as any closing costs associated with the purchase of the facility. She reported that the total price for the property was approximately \$2.2 million.

A motion was made to recommend the purchase of the Wolfsonian Museum Storage Building and Parking Lot. The motion was MSC.

11. Investment of Agency and Activity Funds Rule

Trustee Sagrañes reported that on advice from General Counsel, the Board was being asked to approve the Agency and Activity Funds Rule. She noted the rule covered local funds controlled by the University and included student government, athletics, and financial aid. Currently the rule gives FIU the authority to invest the funds. The funds are already invested under a former Rule, and Board action would simply reaffirm the Rule currently in effect.

A motion was made to approve proposed Rule 6C8-6.090, Florida Administrative Code, ("Rule") regarding the Investment of Agency and Activity Funds and upon approval, delegate authority to the University President to approve any subsequent amendments that are based on comments to the Rule received by the University in writing or at a public hearing on the Rule to be held after the Board's action, and to file the rule for adoption. The motion was MSC.

12. Governor's Proposed Budget Overview

Trustee Sagrañes requested EVP Gallagher present an overview of the Governor's proposed budget. EVP Gallagher reported that currently FIU has a \$507 million total budget, excluding construction amounting to \$250 million. Thirty-nine percent of FIU's budget comes from the state, 20% from student fees, 23% from the federal government, 7% from private sources, and 12% from goods and services. EVP Gallagher reported that in coming years FIU would have to increase its revenue from private sources if the University is to grow. He noted that the state portion (%) was not going to increase. EVP Gallagher described briefly the University's expenditures.

EVP Gallagher reported that under the Governor's proposed budget FIU would have to increase tuition by 7.5% for all students; that would be used to fill the gap in the budget. He noted the University would be receiving some funds for new space and annualization of health and salary from last year. He reported that the Governor was recommending a \$150 million cut across the board, \$37 million of which would be covered by a 7.5% increase in tuition.

EVP Gallagher indicated that FIU would be receiving money from the Public Education Capital Outlay fund for construction. He noted that if the Governor's budget passed, FIU's general revenue with decrease from \$154 million to \$142 million with tuition increases for students of about \$3 million and FTE funding would be down.

EVP Gallagher reported that University staff would be preparing a budget for the Board approval, noting that some adjustments would have to be made once the state budget for the University was approved. He noted that the University was looking into selected investment, revenue generation, auxiliaries, and contracts and grants to find new sources of revenue.

EVP Gallagher concluded his report. Discussion ensued.

GOVERNMENTAL RELATIONS COMMITTEE

13. Legislative Committee Report

Trustee Lopez reported that the role of the Governmental Relations Committee was to ensure the progressive future of FIU and to assist the President, the Provost and the Governmental Relations staff in developing, an implementing a plan to advance the University's interest at the federal, state and local government levels. She noted that the Trustees all are unpaid lobbyists and therefore do not need to register as a lobbyists.

14. State Priorities

Trustee Lopez reported that the State Priorities included the following: (1) Equity for Urban Adjustment and Faculty Salaries, (2) Enrollment Growth Funding, (3) Public Educational Capital Outlay, and (4) Challenge Grant Strategy. She outlined the main points of each section.

A motion was made to adopt the four State Priorities as state above. The motion was MSC.

Trustee Lopez noted important priorities that the Trustees should emphasize when they visit Tallahassee. She noted the importance of retaining and building on the University's 2002-03 budget. She reported that they have to advocate the concept of funding parity, particularly for new enrollment.

Trustee Lopez reported that the FIU Governmental Relations Department was that day unveiling their new website: www.governmentfiu.edu. She noted that all recent legislative developments would be posted on the web.

15. Federal Priorities

Trustee Lopez reported that the Federal Priorities included the following: (1) Florida Hurricane Mitigation Alliance, (2) Hemispheric Center for Environmental Technology (HCET), (3) Center for Energy and Technology of the Americas (CETA), (4) National Policy and Resource Center on Nutrition and Aging, (5) Army Environmental Solutions Program, and (6) Center for Transportation Mobility and Safety of Special Population. She reviewed the main points of each priority.

A motion was made to approve the Federal Priorities as stated above. The motion was MSC.

Trustee Lopez concluded her report.

VIII. STATE OF FLORIDA OFFICE OF SUPPLIER DIVERSITY

16. One Florida

Chairman Henriques introduced Windell Paige, Director of the Office of Supplier Diversity for the State of Florida, noting that he requested to address the Board.

Mr. Paige reported that he was responsible for equity and contracting as it relates to women and minority business development in the state. He noted that he would be discussing the Governor's vision regarding the One Florida Plan. He indicated that FIU was responsible for ensuring that the University is an enlightened and socially responsible organization that welcomes diversity in procurement and contract opportunities. Mr. Paige reported the Governor stated that through the One Florida initiative the state can increase opportunity and diversity in state contracting without using policies that discriminate. He noted that he has been in contact with Judy Weech who is involved in representing FIU in minority and women business. He noted that FIU has a very dynamic staff that was sensitive to the priorities of the Office of Supplier Diversity.

Mr. Paige reported on several programs run by the Governor including the Mentor Protégé Program and the Loan Mobilization Program. He noted that FIU in 1998 spent almost \$13 million with minority businesses, indicated that FIU has been doing an excellent job with regard to the priorities of the One Florida Plan. Discussion ensued.

Mr. Paige concluded his report.

IX. OTHER BUSINESS

No other business was raised.

Chairman Henriques noted the next Board of Trustees meeting was scheduled for May 19, 2003.

X. ADJOURNMENT

With no other business, the Chairman requested a motion to adjourn the meeting.

A motion was made to adjourn the meeting of the FIU Board of Trustees on 12 March 2003 at 11:37 a.m. The motion was MSC.

There were no trustee requests.

04-16-03 TMV