

**Approved**  
29 September 2006

**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES**



**BOARD MEETING  
MINUTES  
13 JUNE 2006**

**I. Call to Order**

Chairman David Parker convened the meeting of The Florida International University Board of Trustees at 10:30 a.m., on Tuesday, 13 June 2006, at University Park, MARC International Pavilion, Miami, Florida.

The following attendance was recorded:

***Present:***

David Parker	Miriam Lopez
Betsy Atkins	Sergio Pino
Albert Dotson	Claudia Puig
Patricia Frost	Herbert Wertheim
Armando Guerra	Modesto Maidique
Alfonso Leon	

Foundation Chairman, Larry Kahn

***Excused:***

Kirk Landon  
Bruce Hauptli  
Rosa Sugañes

Former Foundation Chairman Carlos Migoya was also in attendance.

**II. Chairman's Remarks:**

Chairman Parker welcomed all Trustees, University faculty and staff. He welcomed Larry Kahn to his first Board of Trustees meeting as Chair of the Foundation Board of Directors. He also welcomed new Student Trustee and Student Government Association President for University Park, Alfonso Leon to his first in-person Board of Trustees Full Board meeting.

Chairman Parker thanked all of the Trustees for their participation in the 8 May 2006 Board of Trustees conference call meeting. He noted the importance of the conference call meeting as it provided an update on the outcomes of the Legislative session. He also noted that the next conference call would be scheduled for August.

Chairman Parker announced that during the 8 May conference call, the Board approved a new contract between the Service Employees International Union (SEIU) Contract – and the FIU

Board of Trustees. On behalf of the Board, he congratulated President Maidique, the negotiating teams, the Provost, the faculty and the administration for their diligence in completing negotiations. He noted that their dedication and hard work ensured a successful outcome. He also thanked the members of the Board's Executive Committee for their work on this issue.

Chairman Parker reported that on 15 May 2006 Representative Ileana Ros-Lehtinen presented \$1.5 million to University President Maidique in continued support of the University's Bio/Nano Electronic Devices and Sensors Program. He noted that the research will be carried out by the Advanced Materials Engineering Research Institute (AMERI) at the College of Engineering.

Chairman Parker congratulated Trustees Miriam Lopez and Rosa Sugrañes for being named to the list of the top 50 women leading businesses in Florida. He noted that the list was a research publication of our University's own Center for Leadership in cooperation with the University's Metropolitan Center.

### **President's Remarks**

President Maidique announced that several new University facilities were in the planning and development stages. He noted that the establishment of the College of Law mandated a permanent facility and that the \$38 million facility, set to open in the Fall, would enable the college to maintain the accreditation standards of the American Bar Association.

The President announced that the Graduate School of Business facility would serve the College of Business Administration as the premier provider of graduate professional education and research. He added that this \$25 million facility would provide support in developing core competencies in globalization, technology and leadership. He noted that the project is expected to be completed by September 2007. President Maidique also announced that the University's Lakeview housing facility was on schedule to open for the Fall of 2006 (consisting of an 825 bed residential complex designed to serve undergraduate student housing requirements.) He thanked Trustee Herbert Wertheim on his generosity and leadership throughout the University's Medical School Initiative. He also recognized the efforts of the University's Board of Trustees as critical in this initiative.

### **III. Requests to Address the Board:**

*There were no requests to address the Board.*

### **IV. FIU Foundation Report**

Foundation Chairman Larry Kahn reported that fund-raising goals for FY 2006 were surpassed by 203%. He added that the Alumni membership count was up 52% since the beginning of the fiscal year, which represented a 24% increase of the FY goal of 6,500 dues paying members. He noted that Alumni Association was currently ranked 12<sup>th</sup> among the CAAE (Council of Alumni Association Executives), based on membership increase from the previous year.

Chairman Parker thanked Carlos Migoya for his valuable contributions to the Board of

Trustees during his tenure as Chairman of the FIU Foundation. On behalf of the Board of Trustees, Chairman Parker extended his gratitude to Mr. Migoya for his outstanding leadership, wise counsel, and dedicated service to the Board and to the University.

**V. Items for Board Consideration:**

**A. Action Items**

**1. Consent Agenda:**

Chairman Parker announced that there was one addition to the consent agenda, which referred to the Minutes of the 2 June 2006 Executive Committee Meeting. The Resolution was amended to reflect the addition. He asked for comments on any items included in the Consent Agenda. Hearing none, the Board adopted the following Resolution:

RESOLVED, that the following matters included in the Consent Agenda are hereby approved:

- A. MINUTES 3.21.06 (EXHIBIT "A")**
- B. MINUTES 5.8.06 (EXHIBIT "B")**
- C. TENURE NOMINATIONS (EXHIBIT "C")**
- D. TENURE AS A CONDITION OF EMPLOYMENT NOMINATIONS (EXHIBIT "D")**
- E. APPROVAL OF CONSULTING CONTRACT WITH A.T. KEARNEY**
- F. UNIVERSITY EQUITY REPORTS (EXHIBIT "E")**
- G. Minutes 6.2.06 (Exhibit "I")**

**2. Operating Budget FY 2006-2007 and Tuition Fee Rule**

Finance and Audit Committee Vice Chair Miriam Lopez introduced the University's Operating Budget for FY 2006-2007 for Board consideration and approval. University CFO Vivian Sanchez presented the University wide 2006-2007 Operating Budget, provided a summary by fund, delineated strategic issues and proposed resolutions.

After discussion, the Board adopted the following Resolution:

RESOLVED that the Florida International University Board of Trustees ("BOT") approves the 2006-2007 University Operating Budget, including the 2006-2007 Operating Budget of the FIU Foundation, Inc., as attached to this Resolution as Exhibit "F", and

FURTHER RESOLVED that the BOT delegates to the University President the authority to amend the budget to adjust to changing circumstances, including the authority to reasonably increase expenditures based on the receipt of additional funding during the operating year, and

FURTHER RESOLVED that the University President shall keep the BOT informed of any changes in excess of 2% made to the total approved 2006-2007 Operating Budget during the operating year.

Finance and Audit Committee Vice Chair Miriam Lopez introduced the University Tuition Fee Rule for Board consideration and approval.

Trustee Alfonso Leon noted that he would be voting against the University Tuition Fee Rule but in favor of the University's Operating Budget for FY 2006-2007.

After further discussion, the Board adopted the following Resolution:

WHEREAS, the Florida International University Board of Trustees ("BOT") is authorized to set tuition and fees for the University within the limits provided by law;

WHEREAS, the Legislature has provided the BOT with authority to set 2006-2007 Academic Year tuition and fees for graduate, graduate professional, and nonresident students (at any level of instruction);

WHEREAS, subject to approval by the Governor of the legislation providing the BOT with tuition and fee authority, the BOT desires to exercise its authority as reflected in the amendments to the Tuition Fees Schedule Regulation FIU-1101 attached hereto as Exhibit "G";

THEREFORE, BE IT RESOLVED THAT, the BOT approves the 2006- 2007 Academic Year tuition and fees increases reflected in the amendments to the Tuition Fees Schedule Regulation FIU-1101 attached hereto as Exhibit "G";

BE IT FURTHER RESOLVED THAT, the BOT delegates authority to the University President to forward the Regulation to the Board of Governors for approval and to approve any subsequent amendments that are based on comments to the Regulation received from the Board of Governors;

AND BE IT FURTHER RESOLVED, that the President report to the BOT at its next regularly scheduled meeting on any substantive change requested or made to the Regulation as a result of comments received by the Board of Governors.

### **3. Legislative Budget Request 2007-2008**

Finance and Audit Committee Vice Chair Miriam Lopez introduced the Legislative Budget Request 2007-2008 for Board consideration and approval.

Without further discussion, the Board adopted the following Resolution:

WHEREAS, the Florida Board of Governors ("the BOG") has the power to operate, regulate, control and be fully responsible for the management of the whole university system (Section 7, Article IX, Florida Constitution); and

WHEREAS, included within this responsibility is the development of an annual,

system-wide Legislative Budget Request; and

WHEREAS, Section 1001.74(12), Florida Statutes, requires the universities' Boards of Trustees ("BOT") to submit an institutional budget request based on the guidelines established by the BOG; and

WHEREAS, Section 216.023(1), Florida Statutes, requires the submission of a legislative budget request to the legislature and governor based on an independent judgment of needs;

THEREFORE, BE IT RESOLVED that the BOT hereby approves the Florida International University 2007-2008 Legislative Budget Request, attached to this resolution as Exhibit "H," and

BE IT FURTHER RESOLVED that the BOT authorizes the University Administration to amend the Legislative Budget Request to adjust to changing circumstances and,

BE IT FURTHER RESOLVED that the BOT authorizes the University Administration to take all actions necessary to implement this Resolution.

#### **4. University President's Employment Agreement**

Chairman Parker announced that the Board would vote on an employment agreement by which Dr. Maidique will continue to serve as the President of the University for the next three years. He noted that the steps undertaken by the Board to reach this point began by engaging Pricewaterhouse Coopers LLP to provide the Board with a compensation review of the key elements comprising the President's agreement. He added that the Board also engaged the law firm of Hogan & Hartson, LLP which reviewed a number of presidential employment agreements from other universities, provided information regarding the terms of those agreements, and compared President Maidique's current agreement and the proposed agreement terms with those of other Florida university presidents. Chairman Parker added that he felt confident that the Board did a thorough and complete review of all matters pertaining to the President's next agreement and had received the highest-quality advice and assistance available.

On behalf of the Board, Chairman Parker, thanked the FIU Foundation for its continuous support of the University. He noted that without its help, many of the initiatives that the University undertakes would not be possible.

Administration and Athletics Committee Chair Albert Dotson presented the University President's Employment Agreement for Board consideration and approval.

Trustee Pino commended President Maidique for his outstanding leadership and performance that continuously surpassed the Boards' expectations. Other Trustees voiced their thanks to President Maidique for a job well done.

Trustee Atkins noted that the President's Employment Agreement process was a diligent and thorough process.

After discussion, the Board adopted the following Resolution:

WHEREAS, the Board of Trustees (the "Board") is the public employer of all employees of the University; and

WHEREAS, The Board is charged with entering into all agreements on behalf of the University; and

WHEREAS, the term of the President's employment agreement ends on June 30, 2006 and the Board wishes to employ the President for another three year-term; and

WHEREAS, the Board engaged the services of top experts in the field of University Presidents' Employment Agreements and Compensation and has extensively studied the reports prepared by these top experts;

BE IT RESOLVED THAT the Board approves the Employment Agreement for President Modesto A. Maidique attached hereto as Exhibit "J" and incorporated by reference herein and authorizes the Chairman of the Board to execute the Agreement on behalf of the Board; and

BE IT FURTHER RESOLVED THAT the Board instructs the Associate Corporate Secretary to the Board to include in the Minutes of this Meeting the two reports prepared by the experts engaged by the Board to advise it on this matter.

Administration and Athletics Committee Chair Albert Dotson announced that there was a second component to the University President's Employment Agreement, which required Board consideration and approval. He presented a separate resolution granting University President Maidique a one-time bonus of \$80,000 in recognition of his unyielding dedication and commitment to the University.

After discussion, the Board adopted the following Resolution:

WHEREAS, the fiscal year about to end has been one of extraordinary accomplishments for President Maidique and FIU, some of which are:

- For the third year in a row, he has successfully led the efforts of the State University Presidents in convincing the legislature to fund salary increases for faculty and staff.
- He continued to lead his executive team when Provost Rosenberg was tapped to be the Chancellor of the State University System during the critical medical school approval processes and the conclusion of labor negotiations with the

United Faculty of Florida.

- As a result of the countless hours he has spent building relationships and sharing the FIU story with our state legislators, FIU received the largest increase in ongoing funding in its history. And, most importantly,
- Because of his leadership and unrelenting labor, FIU can today boast that it has a College of Medicine, the single most important event in this institution's history; and

WHEREAS, the Board wants to recognize the extraordinary accomplishments of President Maidique during the fiscal year 2005 — 2006; therefore

BE IT RESOLVED that the Board approves a bonus of \$80,000 for President Maidique, effective July 1, 2006, in recognition of his outstanding leadership. Said sum of \$80,000 shall not become part of President Maidique's base compensation.

## **B. Committee Status Reports**

Chairman Parker requested that each Committee Chair present a status report on the ongoing work of the Committees.

Academic Policy and Student Affairs Committee Chair Herbert Wertheim and Administration and Athletics Committee Chair Albert Dotson reported on items heard by their respective Committees. (Note: Finance and Audit and Governmental Relations Committees did not meet: No report was given.) Chairman Parker thanked the Committees for their work noting that their careful review of university issues was of invaluable service to the entire Board.

## **VI. Other Business:**

Chairman Parker reminded everyone that a Board of Trustees interim conference call would be scheduled for August.

## **VII. Adjournment:**

Since there was no other business to come before the Board, the meeting of the Florida International University Board of Trustees was adjourned on Tuesday, 13 June 2006, at 12:35 p.m.

*MEB/mb*  
6.29.06

*Trustee Requests*

1. *Trustee Claudia Puig requested a tour of the Frost Art Museum. The Board of Trustees office will coordinate tour to coincide with the 29 September 2006 Full Board meeting.*

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David Parker  
*Chairman*  
*FIU Board of Trustees*

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Modesto A. Maidique  
*Corporate Secretary*  
*FIU Board of Trustees*

*Attachments: Exhibits "A," "B," "C," "D," "E," "F," "G," "H," "I," & "J"*