

# **THE FLORIDA INTERNATIONAL UNIVERSITY**



## **BOARD OF TRUSTEES**

### **FULL BOARD MEETING**

**29 FEBRUARY 2008**

**DAVID PARKER, CHAIR**

**8:00 A.M.**

**VIA CONFERENCE CALL**

29 FEBRUARY 2008

# THE FLORIDA INTERNATIONAL UNIVERSITY



## BOARD OF TRUSTEES

### MEMBERS

DAVID PARKER, *CHAIRPERSON*

ALBERT DOTSON, SR., *VICE CHAIR*

KIRK LANDON, *TREASURER*

JORGE ARRIZURIETA

BETSY ATKINS

PATRICIA FROST

ARMANDO GUERRA

MIRIAM LÓPEZ

ALBERT MAURY

CLAUDIA PUIG

ROSA SUGRAÑES

BRUCE HAUPTLI, *FACULTY TRUSTEE*

MARBELY HERNANDEZ, *STUDENT TRUSTEE*

LARRY KAHN,  
*FIU FOUNDATION BOARD OF DIRECTORS' CHAIRPERSON*

MODESTO A. MAIDIQUE,  
*UNIVERSITY PRESIDENT, CORPORATE SECRETARY*

**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES  
FULL BOARD MEETING**

FRIDAY, 29 FEBRUARY 2008  
8:00 A.M.  
*VIA CONFERENCE CALL*

**AGENDA**

- |   |                              |
|---|------------------------------|
| <b>I. CALL TO ORDER</b>   | <b>CHAIRMAN DAVID PARKER</b> |
| <b>II. CHAIRMAN'S REMARKS</b>   | <b>DAVID PARKER</b>          |
| <b>III. ITEMS FOR BOARD REVIEW</b>  | <b>DAVID PARKER</b>          |
| • <b>ACTION ITEMS</b>   |                              |
| 1. <b>BOT DESIGNEE FOR THE FACULTY PRACTICE PLAN</b>  | <b>DAVID PARKER</b>          |
| 2. <b>AMENDMENT TO THE OPERATING PROCEDURES OF THE<br/>            FLORIDA INTERNATIONAL UNIVERSITY BOARD OF<br/>            TRUSTEES</b> | <b>DAVID PARKER</b>          |
| 3. <b>AMENDMENT TO PRESIDENT'S CONTRACT</b>   | <b>DAVID PARKER</b>          |
| <b>IV. OTHER BUSINESS (<i>IF ANY</i>)</b>   | <b>DAVID PARKER</b>          |
| <b>V. ADJOURNMENT</b>   | <b>DAVID PARKER</b>          |

**Conference Call information:**

- Please call (800) 633-8410, promptly at 8:00 am on Friday, 29 February 2008.
- If you are disconnected, please redial the conference call number.
- If you have any problems with the above, contact the BOT office at 305.348.6495

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**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES**

**29 FEBRUARY 2008**

**SUBJECT: FIU BOARD OF TRUSTEES DESIGNEE TO THE FLORIDA INTERNATIONAL UNIVERSITY COLLEGE OF MEDICINE HEALTH CARE NETWORK FACULTY GROUP PRACTICE, INC. BOARD OF DIRECTORS**

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**PROPOSED BOARD ACTION:**

Adopt the following Resolution:

WHEREAS, in order to undertake faculty practice activities, the University has been authorized to establish The Florida International University College of Medicine Health Care Network Faculty Group Practice, Inc. pursuant to Chapter 617, Florida Statutes; and

WHEREAS, The Florida International University Board of Trustees (the BOT) has approved the formation of The Florida International University College of Medicine Health Care Network Faculty Group Practice, Inc. (the Corporation) and approved the Bylaws of the Corporation on 16 November 2007; and

WHEREAS, as delineated in Article IV, Section 2 of the Corporation's Bylaws, a designee of the Florida International University Board of Trustees shall be appointed to the nine member Board of Directors;

THEREFORE BE IT RESOLVED that the BOT hereby approves the appointment of Trustee Armando Guerra as the BOT designee to the Corporation's Board of Directors for a term of three (3) years as specified in the Corporation's Bylaws.

**BACKGROUND INFORMATION:**

**Article IV, Section 2 of The Florida International University College of Medicine Health Care Network Faculty Group Practice, Inc. Bylaws states in relevant part:**

The nine (9) members of the Board shall be:

- (a) A designee of the FIUBOT.
- (b) The Dean and Senior Vice President of Medical Affairs of the FIUCOM.
- (c) The Executive Associate Dean of Clinical Affairs of the FIUCOM.
- (d) The Provost of FIU or his/her Designee.

- (e) The CFO of FIU or his/her Designee.
- (f) One (1) FIUCOM Non-Chairman Group Faculty Member selected by the Clinical Faculty.
- (g) One (1) FIUCOM Chairman Group Faculty Member selected by the Clinical Chairs.
- (h) Two (2) Community Members who shall not be employees of FIU and who are nominated either by the Committee on Nominations or any member of the Board and elected by a majority vote of the Board (hereinafter "Community Member"). One (1) of the Community Members must have the financial skills to be designated as the Financial Expert pursuant to the criteria of Sarbanes-Oxley.

**STATUTORY AUTHORITY:**

This resolution is being adopted pursuant to the provisions of Florida Board of Regents Rule 6C-9.017. adopted by the Board of Governors in January, 2003.

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**EXHIBITS/SUPPORTING DOCUMENTS:**

- NONE

**PRESENTER:**

- CHAIRMAN DAVID PARKER

**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES**

**29 FEBRUARY 2008**

**SUBJECT: AMENDMENT TO THE FLORIDA INTERNATIONAL UNIVERSITY BOARD OF TRUSTEES OPERATING PROCEDURES**

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**PROPOSED BOARD ACTION:**

Adopt the following Resolution:

WHEREAS the Operating Procedures of the Florida International University Board of Trustees, Article IV, "Amendment of Operating Procedures," provides that the Operating Procedures may be altered, amended or repealed by a two thirds vote of all members of the Board;

WHEREAS changes in the Board operations have necessitated changes to the Operating Procedures;

THEREFORE BE IT RESOLVED that the Board hereby adopts the amendments to the Operating Procedures of the Florida International University Board of Trustees attached to this Resolution as Exhibit "A."

**BACKGROUND INFORMATION:**

**LEGAL AUTHORITY:**

The Florida International University Board of Trustees Operating Procedures, Article IV, states,

The Operating procedures may be altered, amended or repealed by a two thirds vote of all members of the Board at any regular meeting, when notice of the proposed amendment or repeal is provided in the meeting notice.

**BACKGROUND INFORMATION:**

The Chair, in consultation with the President, has determined that changes are needed to BOT operations in order to better address the strategic priorities of the University.

**EXHIBITS/SUPPORTING DOCUMENTS:**

- EXHIBIT “A” – AMENDMENTS TO OPERATING PROCEDURES OF THE FLORIDA INTERNATIONAL UNIVERSITY BOARD OF TRUSTEES

**FACILITATOR/PRESENTER:**

- CHAIRMAN DAVID PARKER



**OPERATING PROCEDURES OF  
THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES**

**ARTICLE I  
ORGANIZATION**

**Board of Trustees**

The Florida International University Board of Trustees (the "Board") is established as a body corporate, with all powers of a body corporate as provided by Florida law, acting as an instrumentality or an agency of the state, pursuant to s. 768.28, for purposes of sovereign immunity. It shall serve as the governing body of the Florida International University (the "University") and perform all duties prescribed by law and by the Board of Governors. In consultation with the University President, it shall provide for academic freedom and academic responsibility at the University.

**Membership**

The Board shall be composed of thirteen persons, six members appointed by the Governor of the State of Florida, five citizen members appointed by the Board of Governors, one member who shall be the Chair of the Faculty Senate and one member who is the President of the Florida International University Student Government Association.

Board 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 Chair of the Faculty Senate will be appointed each year by the first of August and the President of the Florida International University Student Government Association will be appointed each year by the first of May. Members of the Board shall serve without compensation but may be reimbursed for travel and per diem expenses in accordance with state law.

**Powers and Duties of Officers**

The officers of the Board are the Chair, Vice-Chair, Treasurer, and the Executive Officer and Corporate Secretary. The Board shall select the Chair and Vice Chair at the last regularly scheduled meeting of the fiscal year for a two year term to begin September 1. The Chair and Vice-Chair shall be eligible for reselection for one additional consecutive term. The Treasurer shall be appointed by the Chair. The University President shall serve as Executive Officer and Corporate Secretary of the Board.

Chair/Vice Chair: The Chair shall preside at all meetings of the Board, call special meetings of the Board when necessary, attest to actions of the Board and notify the Governor in writing whenever a Board member fails to attend three consecutive meetings in any fiscal year, which failure shall be grounds for removal. The Vice-Chair shall act as Chair during the absence or disability of the Chair.

Treasurer: The Treasurer shall be responsible for oversight of all policies relating to the financial affairs of the University; may present a financial report to the Trustees at each meeting of the Board; and perform such other duties as may be assigned to him/her by the Chair, or the Board.

Executive Officer/Corporate Secretary: The University President, as Executive Officer and Corporate Secretary, shall be responsible to the Board for all operations of the University and for setting the agenda for meetings of the Board in consultation with the Chair.

As Executive Officer, the President shall serve as the principal liaison officer and official contact between the Board and the faculty, staff and students of the University. The President shall exercise such powers as are appropriate to his/her position in promoting, supporting and protecting the interests of the University and in managing and directing its affairs. The President may issue directives and executive orders consistent with existing Board policies and law. The President shall be responsible for all educational, financial, business and administrative functions of the University consistent with the policies established by the Board and shall exercise such other powers, duties and responsibilities as are delegated or assigned by the Board.

## ARTICLE II MEETINGS

Regular meetings: The Board will meet no fewer than four times per fiscal year, at a time and place designated by the Chair. Meetings of the Board are open to the public and all official acts will be taken at public meetings. The schedule of meetings is to be available on the University website at <http://www.fiu.edu/trustees>.

The Director of Internal Audit shall present a report on the financial condition of the University to the full Board once every fiscal year at the November meeting.

A Trustee cannot participate in a regular board meeting via telephone or other communications media technology or video conferencing, unless such a meeting is conducted only via electronic means as provided below.

Meetings by Means of Telephone Conference Calls and other Communications Media Technology: Committees and Workgroups may, at the discretion of their Chairs, use telephone conference calls and other communications media technology to conduct Board business in the same manner as if the proceeding were held in person.

The notice of any meeting conducted by means of communication media technology will state where and how members of the public may gain access to the meeting.

Special Meetings: The Board will meet in special meetings, including hearings and workshops, at a time and place designated by the Chair, or in the absence of the Chair by the Vice Chair.

Notice of Regular, Special, ~~and Committee~~ Meetings and of Workgroup Meetings: Notice of regular meetings, committee and workgroup meetings, and special meetings of the Board will be given by

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Amended 12 March 2003  
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posting on the University's website at <http://www.fiu.edu/trustees> and faxing such notice and agenda to a newspaper of general circulation not less than seven days before the event, and will include a statement of the general subject matters to be considered. Whenever an emergency meeting is scheduled to be held, the Corporate Secretary will post a notice on the University's website at <http://www.fiu.edu/trustees> of the time, date, place, and purpose of the meeting as soon as possible under the circumstances.

Emergency Meetings: An emergency meeting of the Board may be called by the Chair of the Board or the Vice Chair in the Chair's absence, upon no less than forty-eight (48) hours notice whenever, in the opinion of the Chair or Vice Chair, an issue requires immediate Board action. Whenever such emergency meeting is called, the Chair will notify the Corporate Secretary. The Corporate Secretary will immediately serve either verbal or written notice upon each member of the Board, and shall provide notice to the public, by any procedure that is fair under the circumstances, stating the date, hour and place of the meeting and the purpose for which the meeting has been called. No other business will be transacted at the meeting unless additional emergency matters are agreed to by a majority of those Board members in attendance. The minutes of each emergency meeting will show the manner and method by which notice of such emergency meeting was given to each member of the Board and to the public.

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 must advise the Board at a public meeting that he or she desires an executive session and must state the basis therefor.
2. Only Board members, 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.

Quorum: A majority of the members of the Board must be present to constitute a quorum for the transaction of business.

Voting: The decision of the majority of the Trustees in attendance and voting on the question shall prevail, except that a majority vote of all members of the Board is required for establishing policy, for making rules and regulations, for appointing and removing the President and for approving or discontinuing programs. No Trustee present at a Board, ~~or~~ Committee or Workgroup meeting, who is a member of the Committee or Workgroup, may abstain from voting except for those circumstances when a Trustee has a conflict of interest. If a Trustee has a conflict of interest with any agenda item, the Trustee shall advise the Chair of the conflict and abstain from voting. The Trustee shall complete a Memorandum of Voting Conflict Form within fifteen days of the meeting which shall be incorporated into the records of the meeting.

Voting by proxy or by mail shall not be permitted.

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For purposes of these Operating Procedures the term "ex officio" shall mean that the person with such designation does not have a right to vote nor to be counted towards reaching a quorum.

At meetings of the Board, the Board shall vote on matters appearing on the Consent Agenda in its entirety, unless an individual Trustee requests that a separate vote be taken on a particular item. A separate vote shall be taken on each item appearing as an Action Item on the Agenda.

Parliamentary Rules: *Roberts Rules of Order*, newly revised, will be followed in conducting meetings of the Board, unless otherwise provided by the Board. The Chair shall resolve disputes regarding interpretations under Roberts Rules.

## **Agenda**

The agenda for each meeting of the Board, ~~or a Committee~~ or a Workgroup, shall be prepared by the Corporate Secretary or his/her designee, in consultation with the Chair of the Board, ~~or the Chair of the Committee,~~ or the Chair of the Workgroup, as applicable. Every request for inclusion of an item on the agenda of a meeting shall be put in writing and filed, together with any supporting documents, with the Corporate Secretary 30 days in advance of the meeting. The Corporate Secretary shall determine the propriety and practicability of including that item on the agenda for the meeting and may place time limits on any presentation or decline to place any matter on the agenda. The Corporate Secretary will assemble the items received, and provide a copy of the agenda to each member of the Board at least 7 days prior to the meeting. If additional items or supporting documentation become available, a supplemental agenda will be provided at least 3 days prior to the meeting. If a Trustee would like a non-agenda item to be placed on the agenda, he/she may do so through a written memorandum to the Corporate Secretary no later than 3 days before the meeting of the Board, Committee or Workgroup.

No agenda item may come before the Board unless it has been previously considered and recommended by a Committee or Workgroup of the Board. However, an agenda item may be presented to the Board without prior consideration by a Committee or Workgroup if it is determined to be an emergency item by the Corporate Secretary in consultation with the Chair.

## **Minutes**

Minutes of the meetings of the Board, Committees or Workgroups, shall be kept by the Corporate Secretary, who shall cause them to be printed and preserved and who shall transmit copies to the members of the Board. All lengthy reports shall be referred to in the minutes and shall be kept on file as part of the University records, but such reports need not be incorporated in the minutes except when so ordered by the Board.

## **ARTICLE III COMMITTEES AND WORKGROUPS**

The Chair of the Board may establish such committees and workgroups as he/she deems necessary for the orderly conduct of the Board's business.

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There shall be a minimum of two (2) standing committees of the Board, a Finance and Audit Committee and an Academic Policy Committee. All Committees shall have no fewer than three members. A quorum for all Committees shall consist of a majority of the Committee.

The duty of each Committee and Workgroup shall be to consider and make recommendations to the Board on matters before it. Unless specifically delegated by the Board to a Committee or Workgroup, authority to act in all matters is reserved exclusively to the Board.

The Chair, in consultation with the President, shall appoint a Chair to head each Committee and Workgroup, and a Vice Chair to substitute for the Chair of the Committee or Workgroup in his or her absence.

The President shall be an ex officio member of every Committee and Workgroup.

All Committee and Workgroup meetings shall be noticed by posting the notice and agenda on the University's website at <http://www.fiu.edu/trustees> and faxing said notice and agenda to a newspaper of general circulation not less than seven (7) days before the meeting and will include a statement of the general subject matters to be considered.

**The Finance and Audit Committee** shall be responsible for oversight of all policies relating to the financial affairs of the University in accordance with the Board's Finance and Audit Committee Charter, attached as Appendix "A".

**The Academic Policy Committee** shall be responsible for oversight of all policies relating to the academic affairs of the University. It shall review and consider policies relating to new and existing degree programs, instruction and research. It shall review and consider policies relating to the recruitment and retention of faculty members, including tenure, academic freedom and academic responsibility, codes of conduct and appropriate penalties for violations of University rules pertaining to academic dishonesty, and student admissions, and make recommendations to the Board on these and other matters referred to it by the Board.

**Strategic Priority Workgroups.** The Chair of the Board may establish such Strategic Priority Workgroups as he/she deems necessary to conduct the business of the Board and the University. The Chair of the Board, in consultation with the President, appoints the members and selects the Chairperson of the Workgroups. Strategic Priority Workgroups' actions are reported as recommendations for consideration and action by the full Board. The Strategic Priority Workgroups shall meet as often as the Chairperson of the workgroup shall determine and said meetings shall be noticed as set forth above. Minutes shall be taken and distributed to all Trustees. A majority of the Strategic Priority Workgroup voting members shall constitute a quorum for transaction of business.

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**ARTICLE IV  
AMENDMENT OF OPERATING PROCEDURES**

These Operating procedures may be altered, amended or repealed by a two thirds vote of all members of the Board at any regular meeting, when notice of the proposed amendment or repeal is provided in the meeting notice.

**ARTICLE V  
APPEARANCES BEFORE THE BOARD and  
BEFORE COMMITTEES and WORKGROUPS OF THE BOARD**

Individuals or group representatives who desire to appear before the Board to initiate a subject within the Board's jurisdiction must submit their requests in writing at least seven (7) working days prior to the start of the meeting of the Board at The Florida International University Board of Trustees, 11200 S.W. 8 Street, PC 548, Miami, Florida 33199 at 11200 S.W. 8 Street, PC 528, Miami, Florida 33199, for the matter to be included in the agenda. The Corporate Secretary, in consultation with the Chair, will determine whether the item will be heard and when the item will be heard. Each Trustee will be provided with an opportunity to review the list of individuals who are on the agenda to appear before the Board, as well as the names of any who were not placed on the agenda.

The Board may place time limits on presentations or decline to hear any matter determined by it to be outside its jurisdiction or unrelated to a particular agenda item, or not practicable for a particular meeting.

The Chair may recognize any individual or representative of groups to address the Board.

In order to proceed with the essential business of the Board in an orderly manner, any individual or group representative who attempts to disrupt a Board meeting will be subject to appropriate action pursuant to law.

Individuals or representatives of groups who desire to appear before a Committee or Workgroup of the Board regarding any item being considered on a meeting agenda of the Committee or Workgroup must submit their requests to the Corporate Secretary, The Florida International University Board of Trustees, 11200 S.W. 8 Street, PC 548, Miami, Florida 33199, specifying the agenda item about which they wish to speak. Such a request, along with any supporting documentation, must be submitted at least three (3) working days prior to the start of the Committee or Workgroup meeting. The President, in consultation with the Committee or Workgroup Chair, will determine whether the item will be heard and when it will be heard. The Committee or Workgroup Chair may place time limits on any presentation. The Committee or Workgroup Chair may decline to hear any matter determined by the President and the Committee or Workgroup Chair not to relate to a particular agenda item or that is outside the Committee's or Workgroup's jurisdiction, or because it is not practicable for a particular meeting.

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## ARTICLE VI CODE OF ETHICS

### Code of Ethics—Conflict of Interest

Trustees stand in a fiduciary relationship to the University. Therefore, Trustees shall act in good faith, with due regard to the interests of the University, and shall comply with the fiduciary principles and law set forth in the Code of Ethics for Public Officers and Employees, Chapter 112, Part III, Florida Statutes. Trustees shall comport themselves in accord with the statutory Code of Ethics and the Conflict of Interest Policy attached to this Operating Procedures as Appendix "B". Each Trustee shall annually complete and sign a disclosure form as required by said policy.

## ARTICLE VII ACADEMIC FREEDOM

### Statement of Board Policy on Academic Freedom

Florida International University is dedicated to the transmission and advancement of knowledge and understanding. Academic freedom is essential to the achievement of these purposes. The University therefore supports and encourages freedom of inquiry for faculty members and students, to the end that they may responsibly pursue these goals through teaching, learning, research, discussion and publication, free from internal or external restraints that would unreasonably restrict their academic endeavors.

The University shall protect faculty and students in their responsible exercise of the freedom to teach and to learn.

It is the policy of the Florida International University to support and encourage full freedom within the law, of inquiry, discourse, teaching, research, and publication for all faculty. Members of the faculty are expected to recognize that accuracy, forthrightness and dignity benefit their association with the University and their position as men and women of learning. They should not represent themselves, without authorization, as spokespersons for the University.

The University shall not penalize or discipline members of their faculties because of the exercise of academic freedom in the lawful pursuit of their respective areas of scholarly and professional interest and responsibility.

## ARTICLE VIII MISCELLANEOUS PROVISIONS

### Limitation of Liability and Indemnification

The Board shall be a corporation primarily acting as an instrumentality or agency of the state pursuant to Section 768.28(2), Florida Statutes for purposes of sovereign immunity. The University shall, to the extent legally permissible, indemnify, defend and hold harmless each of its Trustees, against all liabilities and expenses incurred in the connection with the disposition or defense of any

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action, suit or other proceeding, whether civil or criminal, in which such person may be involved by reason of University service, except with respect to any matter in which such person shall have been adjudicated in any proceeding not to have acted in good faith; and further provided that no settlement shall be entered into without the prior consultation and approval of a duly authorized representative of the Board.

### **Service of Process**

Service of process may be made on the Corporate Secretary or his or her designee.

### **Fiscal Year**

The fiscal year of the Board shall commence on July 1 of each year and end on June 30.

### **Sunshine Laws**

Public access to Board records will be governed by the provisions of the Public Records Law, Chapter 119, Florida Statutes. Board Committee and Workgroup meetings shall be governed by the provisions of the Open Meetings Law, Chapter 286, Florida Statutes.

### **Corporate Seal**

The corporation shall have a seal on which shall be inscribed "The Florida International University Board." The Corporate seal shall be used only in connection with the transaction of business of the Board and of the University. The Corporate Secretary may affix the seal on any document signed on behalf of the corporation. Permission may be granted by the Corporate Secretary for use of the seal in the decoration of any University building or in other special circumstances. The Corporate seal of the Board shall be consistent with the following form and design:



Appendices: A & B

*Adopted 13 January 2003  
Amended 12 March 2003*

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**Appendix "A"**

**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES**

**FINANCE and AUDIT COMMITTEE  
CHARTER**

**PURPOSE**

This charter sets forth the operations and responsibilities of the Finance and Audit Committee the ("Finance Committee") of the Florida International University (the "University"). The Finance Committee's primary function is to assist the University's Board of Trustees (the "Finance Board") in fulfilling its oversight responsibilities by reviewing procedures in place to assess and minimize significant risks, overseeing the quality and integrity of financial reporting practices (including the underlying system of internal controls, policies and procedures, regulatory compliance programs, and ethical code of conduct), and overseeing the overall audit process.

The Finance Committee's role is one of oversight, not preparation or operation. Its members rely on the representations of Senior Management, General Counsel, the Office of Internal Audit and the Auditor General, other committees and workgroups of the Board and other professional consultants. The Finance Committee promotes open communication among and between Senior Management, the Office of Internal Audit, the Auditor General, and the Board.

**COMPOSITION AND MEMBER QUALIFICATIONS**

- The Finance Committee consists of at least four members, all of whom are voting Trustees of the University.
- Members shall possess general accounting, business and financial knowledge, including the ability to read and understand fundamental financial statements. At least one member shall have accounting or financial expertise, as defined by the Board.
- Members shall be independent and objective in the discharge of their responsibilities. They are to be free of any financial, family, or other material personal relationship, including relationships with members of University management, University auditors and other professional consultants.
- A simple majority of the Finance Committee membership will constitute a quorum.
- It is the responsibility of the Finance Committee Chair to approve each meeting's agenda and to update the Board on the significant matters discussed by the Finance Committee.

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## GENERAL ACTIVITIES AND RESPONSIBILITIES

The Finance Committee shall:

- Meet four times each year.
- Provide the Board with regular updates of Finance Committee activities and make recommendations to the Board for matters within the Finance Committee's area of responsibility.
- Review the Finance Committee's charter periodically and recommend any proposed revisions for the Board's approval.
- Meet separately with:
  - the Office of Internal Audit without the presence of management;
  - Senior Management, without the presence of the Office of Internal Audit to discuss any matters the Finance Committee or these individuals believe should be discussed privately. This should be performed at least two times annually, at the conclusion of a regularly scheduled Finance Committee meeting.
- Ensure that the Office of Internal Audit understands that they are ultimately responsible to the Finance Committee and the Board and they should communicate directly with the Finance Committee Chair when deemed prudent and necessary.
- Have the authority to conduct investigations into any matters within the Finance Committee's scope of responsibilities, set forth below. During such investigations, the Finance Committee shall have unrestricted access to the University's independent auditors and anyone employed by the University, and to all relevant information. The Finance Committee may retain, at the University's expense, independent counsel, accountants and other professional consultants to assist with such investigations. The results of any such investigations must be reported to the Board by the Finance Committee Chair.

## SPECIFIC RESPONSIBILITIES: INTERNAL CONTROLS AND RISK ASSESSMENT

The Finance Committee shall consider and review with Senior Management, the Office of Internal Audit, and other relevant offices, ~~or committees~~ or workgroups:

- The effectiveness of the University's process for identifying significant financial, operational, reputational, strategic and regulatory risks or exposures and management's plans and efforts to monitor and control such risks.

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- The effectiveness of the University's internal controls, including the status and adequacy of information systems and security and other relevant matters.
- The University's oversight and monitoring of its subsidiaries, affiliates and joint ventures.
- The University's insurance coverage and the process used to manage any uninsured risks.

#### **SPECIFIC RESPONSIBILITIES: COMPLIANCE WITH LAWS AND REGULATIONS**

The Finance Committee shall:

- Ascertain whether the University has an effective process for determining risks and exposure from asserted and unasserted litigation and other claims of noncompliance with laws and regulations.
- Review and discuss with Senior Management, General Counsel, University Compliance Officer and the Director of Internal Audit:
  - significant results of compliance audits;
  - any significant matters of litigation or contingencies that may materially affect the University's financial statements; and
  - any legal, tax or regulatory matters that may have a material impact on University operations, financial statements, policies and programs.

#### **SPECIFIC RESPONSIBILITIES: FINANCIAL REPORTING**

The Finance Committee shall:

- Consult annually with the Office of Internal Audit regarding the integrity of the University's financial reporting processes and related internal controls, including (but not limited to) the depth of experience and sufficiency of Finance and the Office of the Office of Internal Audit staff.
- Review and approve significant, non-mandated changes to accounting policies and practices.
- Advise Senior Management, based upon the Finance Committee's review, whether the Finance Committee believes that the annual audited financial statements (including the footnotes) contain any material misstatements or omissions.
- Review with Senior Management at the completion of the annual financial statement audit:

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- the University’s annual financial statements and related footnotes, including their degree of clarity;
- the Auditor General’s opinion regarding the financial statements;
- any significant changes required to the state auditors audit plan;
- any difficulties or disputes with management encountered during the audit, including an overall assessment of management cooperation;
- the University’s accounting principles, including the consistency, appropriateness and quality (not just acceptability) thereof, with particular emphasis on sensitive accounting estimates and accruals;
- the University’s overall level of compliance with governmental regulations;
- reports concerning internal controls, including significant findings and recommendations and management’s response;
- other matters that should be communicated to the Finance Committee under generally accepted generally accepted auditing standards; and
- any other financial filings required by law or regulation.

**SPECIFIC RESPONSIBILITIES: THE OFFICE OF INTERNAL AUDIT**

The Finance Committee shall:

- Evaluate the Office of Internal Audit's role and scope of activities.
- Participation in the process of the appointment and dismissal of the Director of Internal Audit.
- Review and approve the Office of Internal Audit’s annual audit plan (and any subsequent changes thereto), considering the University-wide risk assessment and the degree of coordination with the Auditor General's Office for an effective, efficient, non-redundant use of audit resources.
- Review and discuss with management and the Office of Internal Audit:
  - significant findings and recommendations, including management's response and timeframe for corrective action;
  - the degree of implementation of past audit recommendations; and

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- any difficulties encountered in the course of the audit activities such as restrictions on the scope of work or access to information.
- Assess the staffing of the Office of Internal Audit, including the annual budget.
- Review and approve modifications to the Office of Internal Audit.
- Review the organizational reporting lines related to the Office of Internal Audit, particularly related to confirming and assuring the continued independence of the Office of Internal Audit and its staff.

**SPECIFIC RESPONSIBILITIES: COMPLIANCE WITH POLICIES AND STANDARDS**

The Finance Committee shall review with the Office of Internal Audit, the University Compliance Officer, and:

- The University’s monitoring of compliance with University policies, including (but not limited to) polices regarding the conduct of research.
- The results of the University’s monitoring and enforcement of compliance with University standards of ethical conduct and conflict of interest policies.

\* \* \*

The Finance Committee has the responsibilities and the powers set forth in this Charter. It is not the responsibility of the Finance Committee to conduct audits or other examinations and investigations, nor to provide assurance regarding compliance with laws, regulations, internal policies and codes of conduct, nor the completeness, accuracy or conformity with generally accepted accounting standards of the University’s financial statements generally accepted

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## Appendix "B"

### THE FLORIDA INTERNATIONAL UNIVERSITY BOARD OF TRUSTEES CONFLICT-OF-INTEREST POLICY

1. **Scope.** The following statement of policy applies to each member of the Board.
2. **Fiduciary Responsibilities.** Section 8 of Article II of the Constitution of the State of Florida states: "A public office is a public trust." Board members of Florida International University serve the public trust and have a clear obligation to fulfill their responsibilities in a manner consistent with this fact. All decisions of the Board are to be made solely on the basis of a desire to advance the best interests of the institution and the public good.

Board members are generally involved in the affairs of other institutions and organizations. Effective boards will include individuals who have relationships and affiliations that may raise questions about perceived conflicts of interest. Although many such potential conflicts are and will be deemed inconsequential, each Trustee has the responsibility to comply with the Code of Ethics for Public Officers and Employees which is contained in Chapter 112, Part III (Sections 112.311 – 112.326) of the Florida Statutes.

3. **The Code of Ethics for Public Officers and Employees.** The Code of Ethics provides definitions and sets forth the various contexts in which conflicts arise. As defined in the Code,

a "conflict of interest" arises in a situation in which regard for a private interest tends to lead to disregard of a public duty or interest.

Particular attention is required when public officers are in situations involving:

- solicitation and acceptance of gifts;
- favors or compensation;
- contracts and transactions with the University;
- unauthorized compensation;
- misuse of public position or confidential information;
- conflicting employment or consulting contractual relationships; and
- employment of relatives.

Thus, each Trustee has a continuing obligation to:

- (a) be familiar with the Florida Statutes regarding ethics and conflicts of interest and the terms of this Policy;

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- (b) disclose to the Board Chair any possible personal, familial, or business relationships that might reasonably give rise to a conflict involving the University; and
- (c) acknowledge by his or her execution of the attached "Conflict of Interest Disclosure Form" that he or she is in compliance with the letter and spirit of this Policy and applicable laws.

**4. Disclosure.** All Trustees shall list on the attached Conflict of Interest Disclosure Form, at least once a year, those relationships

- (a) that they or members of their family maintain with organizations that do business with the University, or
- (b) that could be construed to affect their independent, unbiased judgment in light of their decision-making authority and responsibility.

If a Trustee is uncertain as to whether to list a particular relationship, the Board chair and the General Counsel of the University should be consulted. Information shared or gathered as a result of such consultations (including information provided on the attached form) shall not be released except

- in accordance with applicable public records laws, or
- when the institution's best interests would be served by disclosure, or
- as required by court order.

Any such required disclosure will be made only after informing the affected Trustee.

**5. Definitions:**

The following definitions apply to this policy:

Business Relationship – A business relationship is one in which a Trustee, or a Trustee's spouse or child serves as an officer, director, or proprietor of, or has a material interest in, an organization that does business with Florida International University.

Material Interest - a direct or indirect ownership of more than 5 percent of the total assets or capital stock of any business entity constitutes a material interest.

Attached is The Florida International University Conflict of Interest Disclosure Form which each Trustee must file with the Secretary of the Board on or before July 1<sup>st</sup> of each year, unless a change necessitating an amendment occurs prior to July 1<sup>st</sup> of the following year.



**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES  
CONFLICT OF INTEREST DISCLOSURE FORM**

This Conflict of Interest Disclosure Form is intended to protect both the Board and the University, by affording the University ample opportunity to forestall any potential conflicts and assure that all Board decisions are above reproach.

To allow the Board and the University to monitor and promptly address any potential conflicts, please (i) identify below any relationships, financial or personal, that may constitute conflicts or potential conflicts of interest, or (ii) confirm that no such conflicts or potential conflicts are known to exist:

The following represent interests or relationships that are or may be in conflict with my position as Trustee of the University:

1. Personal, familial or business relationships that might reasonably give rise to a conflict involving the University.

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2. Outside employment or service (any outside employment or provision of outside services by you or any member of your family that may be in conflict with your position as a Trustee of the University).

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2. Outside interests, financial and other (any interests or position which you or any member of your family hold in any outside concern from which the University obtains goods or services, or which provides services competing with the University):

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3. Any other potential issues or conflicts:

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OR

\_\_\_\_\_ As of today's date, I have no financial, professional, or personal relationships that reasonably hold the potential for a conflict of interest involving my service as a University Trustee.

I am familiar with The Florida International University Board of Trustees Conflict of Interest Policy pursuant to which this Disclosure Form is filed. I have disclosed all potential conflicts of interests of which I am aware, and I agree to promptly file a further Disclosure Form if any additional matters subject to disclosure arise before my next annual Disclosure Form is due.

Signature \_\_\_\_\_

Date \_\_\_\_\_

Please FAX or mail this form to Board Secretary, Board of Trustees Office, Florida International University, 11200 SW 8 Street, PC 548, Miami, FL 33199, Tel. 305-348-6495, Fax. 348-6426.

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**THE FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES**

**29 FEBRUARY 2008**

**SUBJECT: PROPOSED FIRST AMENDMENT TO EMPLOYMENT AGREEMENT FOR  
PRESIDENT MODESTO A. MAIDIQUE**

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**PROPOSED BOARD ACTION:**

Adopt the following Resolution:

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

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

WHEREAS, the BOT entered into an employment agreement with the President on June 13, 2006; and

WHEREAS, the Agreement now needs to be amended;

BE IT RESOLVED THAT the BOT approves the First Amendment to the Employment Agreement between the BOT and President Modesto A. Maidique, attached hereto as Exhibit "B" and incorporated by reference herein and authorizes the Chairman of the Board to execute the Agreement on behalf of the Board.

**BACKGROUND INFORMATION:**

**A: AUTHORITY:**

**PURSUANT TO THE FLORIDA BOARD OF GOVERNORS, IN ITS RESOLUTION ADOPTED JANUARY 7, 2003 AND SECTION 1001.74, FLORIDA STATUTES (2006), K-20 GOVERNANCE, UNIVERSITY BOARDS OF TRUSTEES POWERS AND DUTIES:**

THE BOARD IS THE EMPLOYER OF ALL UNIVERSITY EMPLOYEES AND IS AUTHORIZED TO ENTER INTO ALL AGREEMENTS ON BEHALF OF THE UNIVERSITY

**EXHIBITS/SUPPORTING DOCUMENTS:**

- EXHIBIT “B”: PROPOSED  
AMENDMENT EMPLOYMENT  
AGREEMENT FOR PRESIDENT  
MODESTO A. MAIDIQUE

**FACILITATOR/PRESENTER:**

- CHAIRMAN DAVID PARKER