



**BOARD MEETING
MINUTES
20 NOVEMBER 2009**

1. Call to Order and Chair's Remarks

Chairman Albert E. Dotson, Sr. convened the meeting of The Florida International University Board of Trustees at 9:05 a.m., on Friday, 20 November 2009, at Modesto A. Maidique Campus, Graham Center Ballrooms, Miami, Florida.

The following attendance was recorded:

Present:

Albert E. Dotson, Sr. <i>Chair</i>	Kirk Landon
Albert Maury, <i>Vice Chair</i>	Miriam López
Cesar Alvarez	David Parker
Jorge Arrizurieta	Claudia Puig
Thomas Breslin	Anthony Rionda
Patricia Frost	Mark B. Rosenberg
S. Lawrence Kahn	

Excused:

Betsy Atkins

Chairman Dotson welcomed all Trustees, University faculty and staff. He announced that the Florida Board of Governors appointed Mr. Michael Adler and Mr. Joseph Caruncho to the FIU Board of Trustees, stating that their respective terms would begin 7 January 2010. He noted that the Board was in a period of transition, adding that he looked forward to collaborating with the newly-appointed Trustees.

Chairman Dotson noted that Dr. Pedro "Joe" Greer, Jr. received the Presidential Medal of Freedom, adding that this served to demonstrate the outstanding caliber of the FIU Family. Founding Dean, FIU College of Medicine & Senior Vice President for Medical Affairs John Rock introduced Dr. Greer, noting that not only was Dr. Greer an accomplished physician, but he was a humanitarian who believed that physicians must be socially accountable to the community that they serve. Chairman Dotson requested that Trustee Albert Maury preside over the meeting, allowing him to present a new business item for Board consideration and approval. He stated that the Board wished to recognize Dr. Greer's work, his unrelenting service to our community and dedication to social justice.

After discussion, the Board adopted the following Resolution:

WHEREAS, the Florida International University Board of Trustees hereby wishes to recognize the Assistant Dean of Academic Affairs Pedro "Joe" Greer Jr., MD; and

WHEREAS, Dr. Greer is a pioneer in creating health care programs for persons facing homelessness and poverty; and

WHEREAS, Dr. Greer has made it his life's mission to advocate for those without access to health care and this unwavering commitment is what has led him to create various free clinics for persons who are homeless, undocumented, uninsured, and of low income; and

WHEREAS, Dr. Greer is a recipient of the MacArthur "Genius" Fellowship and the Presidential Service Award; and

WHEREAS, at the University's Herbert Wertheim College of Medicine, Dr. Greer oversees unique educational programs which aim to develop highly skilled, ethical, culturally competent physicians who are socially accountable to our communities; and

WHEREAS, his fight to end the injustices that plague the most underserved populations of our country and our community have earned him the nation's highest civilian honor – the Presidential Medal of Freedom;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees at its regular meeting this 20th day of November, 2009, does hereby commend Assistant Dean of Academic Affairs Pedro "Joe" Greer Jr., MD for his unyielding service to our community and dedication to social justice ;

BE IT FURTHER RESOLVED that this Resolution be included in the Minutes of this meeting, and a copy presented to Dr. Greer as a token of the Board's appreciation and thanks.

Dr. Greer thanked the Trustees and also expressed his enthusiasm over the work and caliber of the faculty as well as the innovative curriculum at the Herbert Wertheim College of Medicine.

Chairman Dotson resumed presiding over the meeting. He stated that, as is stipulated in the current employment agreement, President Rosenberg provided a summary overview of the University Goals for fiscal year 2009-2010 prior to 15 October 2009. He further noted that the full presentation was made at the 17 November 2009 meeting of the Compensation Workgroup. He added that the Compensation Workgroup wanted further discussion and review of the University Goals and therefore the goals would not be presented for the consideration and approval at this meeting, but will be considered at the Board's next meeting.

On behalf of the Board, Chairman Dotson congratulated President Rosenberg and the External Relations division on the unprecedented media coverage, noting that the recent exposure would continue to acquaint the community with the University.

2. FIU Foundation Report

FIU Foundation, Inc. Board of Directors Chairman Joseph L. Caruncho presented the Foundation Report, providing an update on assets, expenses and general revenue. He also provided an update on the investments performance and fundraising efforts.

3. President's Report

President Mark B. Rosenberg noted that for the first quarter of this academic year, external grant awards increased by \$33 million, which signified a 30% increase over the same period last year. He further noted that expenditures on grants and contracts for the first quarter increased 6.33% from the same period last year.

President Rosenberg reported that the University was continuing to explore opportunities for a unique collaboration with the Florida Department of Health, which would create an Academic Health Department that would integrate with programs in the Herbert Wertheim College of Medicine, the Stempel College of Public Health and Social Work, the College of Nursing and Health Science, and the College of Arts and Sciences. He noted that a possible partnership had the potential to allow the University to establish a nationally-recognized public health center that would serve not only as a valuable community resource but a resource for the entire state. He further noted that progress reports would be forthcoming, adding that once an appropriate structure was identified, a proposal would be presented to the Board for review and consideration.

President Rosenberg recognized the accomplishments of University Alumnus James O'Brien. He also recognized journalism students working as part of the South Florida News Service, noting that they wrote three stories which appeared in the Miami Herald. He reported that Homecoming events took place all throughout the prior week with a wide range of events on the MMC and BBC campuses respectively. He introduced a brief slideshow depicting some of the Homecoming events, adding that signature programs and events had record attendance and the engagement of students and the University family.

4. Public Appearances

There were no public appearances.

5. Action Items – Consent Agenda

Chairman Dotson 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:

BOARD OF TRUSTEES

BT1. Minutes, 11 September 2009

EXTERNAL RELATIONS WORKGROUP

EW1. Priorities for the 2010 Legislative Session

COMPENSATION WORKGROUP

CW1. Personnel Policies

CW2. Ratification of Collective Bargaining Agreement, 2009-2012,
between The Florida International University Board of Trustees
and The Service Employees International Union Local 1991

ACADEMIC POLICY COMMITTEE

AP1. Tenure nomination

6. Action Item, Board of Trustees

BT2. Amendment to the Operating Procedures of the Florida International University Board of Trustees

Vice Chairman Albert Maury provided a brief overview of the proposed amendments to the Operating Procedures and noted the substantive changes to the document. He requested that the Board be granted additional time to review the proposed changes in order to reconvene at a later date to engage in further discussions of necessitated amendments. Chairman Dotson noted that the Board would review the Amendment to the Operating Procedures of the Florida International University Board of Trustees but that no action would be taken at the meeting. There were no objections.

Trustee Breslin requested that either the Faculty or Student Trustee serve as a member of the Board's Executive Committee when formed since the constitutional amendment required representatives on the Board for faculty and students. Chairman Dotson announced that an Ad-Hoc meeting of the Board's Committee and Workgroup Chairs would meet within the coming weeks to further review the Operating Procedures. He requested that, prior to the Ad-Hoc meeting, Trustees should communicate with the Board office or the President to submit their recommendations and/or feedback as it pertained to the Operating Procedures.

7. Action Items/ Status Reports, Board Committees and Workgroups

External Relations Report

External Relations Workgroup Co-Chair Miriam López provided an update on the Workgroup's meeting, noting that President Rosenberg led the discussion on community engagement. Co-Chair López stated that in developing a culture of community engagement, there were rich and varied opportunities for the University to prepare an educated workforce, develop student civic leadership, grow an innovation economy, improve the community's well-being and quality of life, expand FIU's research and scholarship, and create a distinctive brand.

Compensation Workgroup Report

Chairman Dotson noted that in Trustee Betsy Atkins' absence, Trustee Cesar Alvarez would present the Compensation Workgroup report. Trustee Alvarez reported that the Compensation Workgroup met on 17 November 2009 to review a number of action items, which included the University Goals, for FY2009-10. He noted that after further discussion, the Workgroup agreed to continue the review of the University Goals with President Rosenberg as the current meeting schedule did not allow ample time for analysis and amendment.

CW4. President Modesto A. Maidique, Management Review, 2008-2009

Trustee Alvarez reported that the Compensation Workgroup met on 9 July 2009 to undertake the assessment of President Modesto A. Maidique's accomplishments for FY08-09 relative to the BOT approved goals and his overall performance. He noted that based on the performance ratings approved by the Board and the President's overall performance and accomplishments for the 2008-2009 fiscal year, the Workgroup recommended a rating of Superior for President Maidique.

After discussion, the Board adopted the following Resolution:

WHEREAS, the Florida International University Board of Trustees ("the BOT") has been charged with annually evaluating the University President; and

WHEREAS, the BOT conducted the performance evaluation of President Modesto A. Maidique for the 2008-2009 fiscal year; and

WHEREAS, the BOT must submit the evaluation to the Florida Board of Governors for review;

THEREFORE, BE IT RESOLVED, that the BOT grants a **Superior** Performance rating to President Modesto A. Maidique in his leadership of Florida International University during fiscal year 2008-2009;

BE IT FURTHER RESOLVED, that the BOT authorizes the Vice President for Human Resources to submit the evaluation of the President to the Florida Board of Governors; and

BE IT FURTHER RESOLVED, that the Vice President for Human Resources is authorized to take all actions necessary to give effect to this Resolution.

CW5. Proposed Bonus for University President Modesto A. Maidique

Trustee Alvarez noted that the Workgroup also met on 9 July 2009 to determine the Presidential Bonus for President Maidique for the 2008-2009 fiscal year. He stated that based on benchmarks, SUS comparables, and the President's "Superior" performance rating, that the Workgroup recommended that the President receive a bonus greater than the target \$50,000 that was included in his contract. He reported that the Workgroup recommended a bonus of \$100,000 due to President Maidique's consistent surpassing of the performance expectations as well as remarkable fundraising

achievements. He further noted that \$50,000 was already budgeted by the Foundation Board and could be paid immediately, while the additional \$50,000 required Foundation Board approval.

Foundation Board Chairman Joseph L. Caruncho noted that, while he was not in attendance, the Foundation's Executive Committee met on 28 October 2009 to consider the \$100,000 bonus compensation for President Maidique. He noted that, based on the information provided to him, the Foundation would fund the already budgeted \$50,000 immediately, while the request for an additional \$50,000 would be distributed when the Foundation Board identified available funds and/or deemed it prudent to do so¹.

Trustees Jorge Arrizurieta, Thomas Breslin and Anthony Rionda voiced their concerns regarding a bonus amount of \$100,000, noting that due to the persistent state budget situation, the minimum bonus amount of \$50,000 would be more appropriate.

After discussion, the Board adopted the following Resolution:

WHEREAS, fiscal year 2008 - 2009 was one of exceptional accomplishments in diverse and critical areas for FIU as a result of President Maidique's strong leadership, and

WHEREAS, a significant majority of the four goals and associated critical initiatives pertaining to academic performance, academic excellence, advancing the College of Medicine and financial stability, were achieved, and

WHEREAS, the Board of Trustees granted President Maidique a **Superior** Performance rating based on these accomplishments, some of which included:

- Improved academic performance by continuing to attract the best and brightest students welcoming a freshman class with an average GPA of 3.69, average combined SAT of 1160 and average combined ACT of 25.
- Graduation of Doctoral Students reached 127 demonstrating a continued growth working towards the target of 150 by 2013.
- Strengthened academic excellence as is evidenced by the College of Business selection as top 15 schools by *The Princeton Review's* "Student Opinion Honors for Business Schools"; 2009 *BusinessWeek's* ranking of the Landon Undergraduate School of Business at #15 for public 2-year programs in the nation; the Executive MBA program was ranked 82nd on the global list by Financial Times, placing it in the top 35 in the United States; accreditation of the College of Law by the Association of American Law Schools.
- Strengthened academic reputation by increasing overall research applications 29% to 642 with total requested funding increasing by 24.5% to \$257 million and by increasing research awards in the strategic area of Health Sciences over \$4 million to \$10.2 million, about 250%.

- Advanced the College of Medicine by obtaining \$11 million in recurring funds from the State Legislature and through strong fundraising resulting in \$56 million from donor and corresponding state matching funds, surpassing \$95 million since the inception of the College of Medicine.
- Strengthened fiscal self-sufficiency by raising \$75.2 million from donor and corresponding state matching funds surpassing the university's historical high and exceeding the target by 109%.
- Strengthened the institution's compliance infrastructure by filling key positions within the Office of Internal Audit and the Division of Intercollegiate Athletics, NCAA Compliance.

WHEREAS, to accomplish these goals, President Maidique pursued a strong vision, planned its implementation through a capable senior management team, and leveraged strong internal and external relationships, and

WHEREAS, Section 4.2 of the President's contract provides that the President shall be eligible for a bonus of "\$50,000 or such greater amount as the Board or Board Committee may determine in its discretion"; and

WHEREAS, the President's contract further provides that the bonus shall be determined no later than September 30 and shall be paid within 10 days of its determination; and

WHEREAS, the Board wants to recognize the accomplishments of President Maidique during the fiscal year 2008 - 2009; therefore

BE IT RESOLVED that the Board approves a bonus of \$100,000 for President Maidique, effective September 30, 2009, in recognition of his leadership.

Athletics Workgroup

Athletics Workgroup Chair Jorge L. Arrizurieta reported on items heard by the Workgroup and provided the Athletics Update. He noted that exceptional performance of the Women's volleyball and tennis teams. He also noted the positive progress on fundraising efforts. He added that various aspects of community engagement were reviewed by the Workgroup, such as the community service the student-athletes participated in over the past year as well as the many different events that have been held at the University's athletic facilities over the course of the last year, including High School Graduations and International soccer competitions.

Chairman Dotson requested to change the order of the Committee Reports. There were no objections. He asked Academic Policy Committee Chair Patricia Frost to provide the Committee's Report.

Academic Policy Committee

Academic Policy Committee Chair Patricia Frost reported on items heard by the Committee. She noted that during the Committee's meeting, two members of the faculty provided reports on their respective research and work. She further noted that based on the Committee's enthusiasm over the reports, she invited the professors to repeat their respective presentations for the benefit of the entire Board. She added that unfortunately, due to the demands of his research work, Biological Sciences Professor Steven Oberbauer would not be presenting. Provost and Executive VP Douglas Wartzok provided an overview of Professor Oberbauer's presentation. Chair Frost called upon Physics Associate Professor Laird Kramer who discussed building a sustainable learning community in physics.

Chair Frost thanked Professor Kramer for sharing his work with the Board.

Finance and Audit Committee

Finance and Audit Committee Chair Albert Maury reported on items heard by the Committee and introduced the Restructuring/Refinancing of FIU Foundation, Inc. Loan Associated with Construction of the MARC Building for Board consideration and approval.

FA1. Restructuring/Refinancing of FIU Foundation, Inc. Loan Associated with Construction of the MARC Building

CFO and Sr. VP for Finance and Administration Kenneth Jessell presented the Restructuring/Refinancing of FIU Foundation, Inc. Loan Associated with Construction of the MARC Building, noting that the current loan provider would not be in a position to renew the current Letter of Credit once it expired. Therefore, he further noted, that in an effort to identify the most competitive financing terms for the Foundation, the University administration was currently obtaining additional proposals from other financial institutions. He stated that the final selection would be made based on the best interest of the Foundation and University, provided that, at a minimum, the selected financial institution met or exceeded the terms specified in the current SunTrust Commitment Letter.

After discussion, the Board adopted the following Resolution:

WHEREAS, in September, 1999, the FIU Foundation, Inc. (the "Foundation"), issued \$13,000,000 Miami-Dade County Educational Facilities Authority Revenue Bonds (FIU Foundation Project) Series 1999, to finance the construction of the MARC Building at the Modesto A. Maidique campus, pursuant to a Trust Indenture dated December 1, 1999 between the Foundation and SunTrust Bank, as trustee. The 1999 Bonds were issued as variable rate bonds secured by a letter of credit pursuant to a Letter of Credit Agreement between the Foundation and SunTrust Bank, N.A. ("SunTrust"); and

WHEREAS, in view of the extreme economic conditions affecting credit markets and the financial industry, the interest cost of variable rate bonds have increased and SunTrust, the bank that issued the Letter of Credit securing the 1999 Bonds, has experienced a diminished

ability to remarket the bonds that remain outstanding, with a principal amount of approximately \$9,260,000.00; and

WHEREAS, as a result of the foregoing, SunTrust has determined that it is not in a position to renew the Letter of Credit when it expires on December 15, 2009;

WHEREAS, SunTrust has offered to amend the 1999 Trust Indenture to enable the Foundation to convert the 1999 Bonds from variable rate debt to a Bank Qualified, Tax Exempt Term Loan as outlined in the Commitment Letter attached hereto as Exhibit "G" (the "Commitment Letter"); and

WHEREAS, in an effort to identify the most competitive financing terms for the Foundation, the University administration is currently obtaining additional proposals from other banks; and

WHEREAS, interest savings would be realized if the Foundation either amends the Trust Indenture with SunTrust or completes a refinancing/refunding transaction with another bank through a conduit issuer that will permit the Foundation to treat the transaction as "Bank Qualified" and allow banks to offer the Foundation lower interest rates than otherwise available;

THEREFORE, BE IT RESOLVED that the Florida International University Board of Trustees ("the BOT") approves the Commitment Letter with SunTrust and delegates to the Foundation the authority to either (1) execute the SunTrust Commitment Letter and any other loan documents related thereto; or (2) execute a transaction to refinance the 1999 Bonds with another bank that the University President and CFO determine is in the best interest of the Foundation and University, provided that, at a minimum, the selected bank meets or exceeds the overall financial terms specified in the SunTrust Commitment Letter; and

BE IT FURTHER RESOLVED that the BOT delegates to the Executive Director of the Foundation the authority to execute any such documents and/or take any such actions as shall be necessary to complete the transaction on terms and conditions that meet or exceed those set forth in Exhibit "G;" and

BE IT FURTHER RESOLVED that the BOT directs the University CFO to report to the Finance and Audit Committee on the progress of the transaction at its next regularly scheduled meeting.

7. New Business

Chairman Dotson noted that this was the last Board meeting for Trustee Betsy Atkins. Chairman Dotson noted that regretfully Trustee Atkins was unable to attend the meeting, but on behalf of the Board, the Chairman extended his gratitude to Trustee Atkins for her leadership, commitment and dedication to the Board, to the University and to students.

On behalf of the Board, Chairman Dotson also thanked Trustee R. Kirk Landon for his guidance and leadership. He recognized Trustee Landon for his service on the Foundation's Board as well as his dedication to the University, to the students and to the community. He added that although this would be the last Board meeting for Trustee Landon, he looked forward to his continued involvement with the University in the future.

Trustee Landon noted that one half of all college graduates in Miami-Dade County are FIU graduates, further noting that it was for this reason that he chose to dedicate his efforts to help advance the mission of the University.

Chairman Dotson stated that Trustee David Parker was an inaugural member of the Florida International University Board of Trustees and has served with great distinction. Chairman Dotson recognized and extended his sincerest gratitude on behalf of the Board to Trustee Parker. Chairman Dotson noted that Trustee Parker's service has extended to the Foundation Board where he served for over 13 years. Chairman Dotson, again, thanked Trustee Parker for his strong commitment to the University through his service, judgment, ideas and considerable wisdom.

Trustee Parker stated that it has been a privilege for him to work with such a distinguished Board. He recognized the University's faculty and staff and thanked them for their hard work and dedication to the University.

8. Concluding Remarks and Adjournment:

Since there was no other business, the meeting of the Florida International University Board of Trustees was adjourned on Friday, 20 November 2009, at 11:24 a.m.

<i>Trustee Requests</i>	<i>Follow-up</i>	<i>Completion Date</i>
1. Trustee R. Kirk Landon requested that the External Relations Workgroup report, as presented by Workgroup Co-Chair Miriam López, be provided to all Trustees.	Board of Trustees office	<i>Workgroup report was forwarded to the Trustees on 11.24.09</i>
2. Trustee Albert Maury requested that an update on the SACS-reaccreditation status be provided at the next regularly scheduled Board meeting.	Office of the Provost	<i>December 2009</i>
3. Chairman Albert E. Dotson, Sr. requested that VP for Governmental Relations Steven Sauls provide the Trustees with a University fact card that would facilitate their conversations with elected representatives.	Office of Governmental Relations	<i>December 2009</i>

Albert E. Dotson, Sr.
Chairman
FIU Board of Trustees

Mark B. Rosenberg
Corporate Secretary
FIU Board of Trustees

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

MB
11.24.09

ⁱ It was subsequently learned that the FIU Foundation, Inc. Board of Directors Executive Committee did not approve the item as was reported during the FIU Board of Trustees meeting, but rather deferred all action to a later date. At the FIU Foundation, Inc. Board of Directors Full Board meeting, held on Wednesday, December 2, 2009, the Executive Committee's decision to defer all action to a later date was ratified.