



**FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
FULL BOARD MEETING
JUNE 2, 2017
MINUTES**

1. Call to Order and Chair's Remarks

Board Chair Claudia Puig convened the meeting of the Florida International University Board of Trustees at 2:19 p.m., on Friday, June 2, 2017, at the Modesto A. Maidique Campus, Rafael Diaz-Balart Hall, Large Courtroom, RDB 1000.

The following attendance was recorded:

Present:

Claudia Puig, *Chair*
Jorge L. Arrizurieta, *Vice Chair*
Cesar L. Alvarez
Jose J. Armas
Leonard Boord
Dean C. Colson
Gerald C. Grant, Jr.
Michael G. Joseph
Natasha Lowell
Justo L. Pozo
Krista M. Schmidt
Kathleen L. Wilson

Excused:

Marc D. Sarnoff

Chair Puig welcomed all Trustees, University faculty, staff, and students. She reported that the Florida Board of Governors appointed Dean C. Colson to the FIU Board of Trustees, succeeding Mr. Albert Maury. Chair Puig also welcomed Krista M. Schmidt as the newly elected Student Government President for the Modesto A. Maidique Campus.

Chair Puig thanked the members of the FIU Board of Trustees who traveled to Tallahassee for FIU Day with the delegation of students, administrators, and faculty to advocate for the University's legislative priorities. She noted that in April, Trustee Kathleen L. Wilson participated in the annual Association of Governing Boards of Universities and Colleges (AGB) National Conference on Trusteeship. Trustee Wilson stated that the national conference is designed to drive consequential change and to advance higher education and urged Trustees to attend future AGB events and conferences.

2. Foundation Report

FIU Foundation, Inc. Board of Directors Secretary Jill Granat provided a comprehensive Next Horizon Campaign update. She presented campaign implementation highlights and progress towards the \$50M fundraising goal for fiscal year 2016-17. She also reported that the Foundation's Total Managed Assets returns were within the targeted 100-200 basis points of outperformance range.

3. Public Appearances

There were no public appearances.

4. President's Report

University President Mark B. Rosenberg reported that in April, FIU College of Law Dean R. Alexander Acosta was sworn in as the 27th United States Secretary of Labor. President Rosenberg added that U.S. Secretary of Education Betsy DeVos visited FIU on April 6, 2017 to meet with administrators, faculty, and students to learn more about the University's initiatives to help students succeed in the classroom. He mentioned that the U.S. Department of State, Department of Homeland Security, and the Government of Mexico will host the Conference on Prosperity and Security in Central America, noting that day one of the two-day conference will be held at FIU's Modesto A. Maidique Campus.

President Rosenberg provided research news highlights, explaining that the U.S. Food and Drug Administration granted an investigational device exemption for the first-in-human trial with technology that was developed at FIU by Chair of Biomedical Engineering and Professor of the College of Engineering and Computing Ranu Jung and her Adaptive Neural Systems Laboratory team. He stated that Angelo Gaitas, a research assistant professor in the Electrical and Computer Engineering Department, along with Gwangseong Kim, a research scientist, are commercializing a device that expedites the detection of harmful pathogens in food supply. President Rosenberg indicated that the National Science Foundation awarded FIU \$3M for a national pilot program to encourage more women to pursue careers in physics. He presented an overview of StartUP FIU economic development data and on the local food entrepreneurs that formed part of the inaugural cohort.

President Rosenberg mentioned that the Bob Graham Center for Public Service named Associate Dean of Community Engagement Pedro "Joe" Greer Jr. its 2017 Citizen of the Year. President Rosenberg stated that English Professor Campbell McGrath has been named a finalist for the Pulitzer Prize in Poetry and that Journalism faculty member, Allan Richards, was named Scripps Howard Foundation 2016 Teacher of the Year. He added that a group of 28 FIU staff and faculty members successfully completed the inaugural Presidential Leadership Program, a professional development program designed for employees under 50 years of age interested in solidifying a career track in higher education.

President Rosenberg reported on student achievement, noting that Thomas Weppelman, a second-year medical student at the Herbert Wertheim College of Medicine was named a 2017 Medical Scholar by the Infectious Diseases Society of America. He recognized Steven Marin, Jr., FIU Freshman and Honors College student, who secured \$50K in donations in support of FIU's

Fostering Panther Pride initiative. President Rosenberg stated that more than 200 participants and 147 dancers raised a total of \$96,018 for RoarThon, the annual 17-hour fundraiser that raises money for Children's Miracle Network Hospitals. He stated that Natasha Blanch became the first graduate of FIUteach, part of the National Math and Science Institute's UTeach program, a nationwide secondary teacher preparation initiative that aims to place more than 9,000 new STEM teachers in classrooms across the country by 2020. He congratulated the women's Softball team for a record-breaking season. He also congratulated Kamila Manzueta, Honors College student, who was named a 2017 Graduate Pickering Fellow.

5. Action Items – Consent Agenda

Chair Puig noted that the Finance and Facilities Committee, the Audit and Compliance Committee, the Academic Policy and Student Affairs Committee, and the Governance Committee each recommended approval by the Board of the respective action items contained in the Consent Agenda.

Chair Puig asked if any Trustee wanted any item to be removed from the Consent Agenda and voted on separately. Hearing no such request, a motion was made and passed to accept the Consent Agenda, and members of the Board concurred with the following actions:

- **BT1. Minutes, March 3, 2017:** Approve Minutes of the FIU Board of Trustees, Full Board meeting held on Friday, March 3, 2017 at the Modesto A. Maidique Campus, Graham Center, Room 243.
- **BT2. Approval of Minutes of Meetings held March 24, 2017:** Approve Minutes of the FIU Board of Trustees Workshop and approval of Minutes of the FIU Board of Trustees Full Board Meeting held on Friday, March 24, 2017, at the Florida International University Modesto A. Maidique Campus, Ronald W. Reagan Presidential House.
- **FF2. Proposed 2017-18 Fixed Capital Outlay Budget/Capital Improvement:** Approve Florida International University's 2017-18 Fixed Capital Outlay Budget and authorize the University President to amend the budget as necessary, consistent with Legislative, Florida Board of Governors', and the Florida International University Board of Trustees' directives and guidelines.
- **FF3. Request for Approval of Florida International University's 2018-19 Fixed Capital Outlay Legislative Budget Request, Consisting of the Five-Year Capital Improvement Plan:** Approve FIU's 2018-19 Fixed Capital Outlay Legislative Budget Request, consisting of the five-year Capital Improvement Plan and authorize the University President to amend the Legislative Budget Request as necessary, consistent with Florida Board of Governors' and the Florida International University Board of Trustees' directives and guidelines.
- **FF4. Self-Supporting Program Tuition, 2018-19 Academic Year**
 - **FF4-A: Doctorate of Athletic Training:** Approve the self-supporting tuition of \$16,800 annually for 24 credits for the Doctor of Athletic Training beginning academic

year 2018-19.

- **FF4-B: Master of Science in Applied Behavior Analysis:** Approve the self-supporting tuition of \$25,393 for 45 credits completed in four semesters for the Master of Science in Applied Behavior Analysis beginning academic year 2018-19.
- **AC1. Office of Internal Audit Policy and Charter:** Approve the Office of Internal Audit Policy and Charter.
- **AC3. University Compliance and Ethics Program Plan:** Approve the University Compliance and Ethics Program Plan.
- **AP1. Tenure Nominations:** Approve the Tenure Nominations as specified in the Board materials.
- **AP2. Tenure as a Condition of Employment Nominations:** Approve two (2) candidates for Tenure as a Condition of Employment.
- **AP3. Amendments to FIU Regulation 1103, Textbook Affordability:** Approve the amendments to FIU Regulation 1103, Textbook Affordability.
- **AP4. Program Termination: Bachelor of Science in Statistics:** Terminate the Limited Access Bachelor of Science in Statistics (CIP 27.0501).
- **AP5. New Program Proposal: Bachelor of Science in the Internet of Things:** Approve the Bachelor of Science in Internet of Things (CIP 15.999) new program proposal.
- **AP6. New Program Proposal: Doctor of Athletic Training:** Approve the Doctor of Athletic Training (CIP 51.0913) new program proposal.
- **G1. Ratification of the 2017-2020 Collective Bargaining Agreement between The Florida International University Board of Trustees and Florida Public Employees Council 79, affiliate of the American Federation of State, County, and Municipal Employees, AFL-CIO:** Ratify the 2017-2020 Collective Bargaining Agreement between The Florida International University Board of Trustees and the Florida Public Employees Council 79, affiliate of the American Federation of State, County, and Municipal Employees, AFL-CIO (AFSCME). The major changes from the 2013-2016 BOT-AFSCME CBA are to the following sections:
 - Article 1: Recognition
 - Article 3: AFSCME Activities
 - Article 4: Grievance and Arbitration
 - Article 8: Employee Parking
 - Article 9: Wages
 - Appendix B: AFSCME-FIU Dues Checkoff Form

- Bonus Policy
- Neutral, Internal Resolution of Disputes Policy
- Shift Differential Policy
- Added these policies to the AFSCME policies:
 - Background Checks
 - Employee Wellness
 - External Volunteers
 - Mandatory Reporting of Child Abuse

6. Action Item

FF1. Proposed 2017-18 University and DSO Operating Budgets

Senior Vice President of Administration and Chief Financial Officer Kenneth A. Jessell presented the University and DSO Operating Budgets totaling \$1,411.1M for Board of Trustees review and provided an overview of key aspects of each budget. He added that authority for the University President to amend the budget is necessary to accommodate changes in circumstances.

A motion was made and passed by the FIU Board of Trustees to approve the FIU 2017-18 University and Direct Support Organizations Operating Budgets and authorize the University President to amend the budgets consistent with Legislative, Board of Governors', and the Florida International University Board of Trustees' directives and guidelines.

FF5. Approval of Amendment to the 2010-20 Campus Master Plan for the Modesto A. Maidique Campus to Accommodate the Construction of a Hotel, Conference Center, Alumni Center and Parking and Approval of Terms of the Ground Lease Associated with the Hotel, Conference Center, Alumni Center and Parking

Sr. VP and CFO Jessell presented for the Board of Trustees' review the request for approval of the amendment to the 2010-20 Campus Master Plan for the Modesto A. Maidique Campus to accommodate the construction of a Hotel, Conference Center, Alumni Center and Parking and approval of terms of the ground lease associated with the Hotel, Conference Center, Alumni Center and parking. He added that the Hotel, Conference Center, and Alumni center were included in FIU's 2005-15 and 2010-20 Campus Master Plans and Board of Trustees/BOG Capital Improvement Plans and have received Legislative authorization. Sr. VP and CFO Jessell noted that the amendment to the 2010-20 Campus Master Plan for the Modesto A. Maidique Campus was necessitated in order to change 5.21 acres currently designated as special purpose recreation open space to multi-purpose space and reflect that the conference facility would be located immediately adjacent to the hotel and alumni center. He stated that the Project would be located in the SW corner of the intersection of SW 8th Street and SW 112th Avenue. He described the Project process and timeline.

Sr. VP and CFO Jessell explained that Hotel and Conference Center amenities included 150 guest rooms, a ballroom and multiple conference rooms, an indoor fitness center, an outdoor swimming pool, and a minimum of 300 parking spaces. He delineated the Hotel and Conference Center funding structure, noting that the Project will be designed, built, owned and operated by the Developer/Operator and that FIU and the FIU Foundation will have no financial obligation or debt

obligations. He added that the University will approve design, that land will not be subordinated to any debt, and that FIU will receive market value ground rent and/or net income in return for leasing the parcel of land to the hotel operator.

Sr. VP and CFO Jessell mentioned that the Alumni Center will consist of 13,737 sq. ft. and will be managed by the FIU Foundation. He presented a funding overview, noting that the Alumni Center will cost \$6.8M, with \$1.3M from Bank of America royalties, accumulated fund balances and new cash gifts as well as \$5.5M in direct investment. He stated that the FIU Foundation will create a wholly-owned subsidiary for the operation and maintenance of the Alumni Center.

Sr. VP and CFO Jessell presented Project renderings and provided a summary of key terms, financial projections, and concluded by discussing possible benefits to the University and next steps.

Sr. VP and CFO Jessell explained that the Finance and Facilities Committee incorporated the following three additional terms as part of its recommendation for approval by the Board of Trustees:

- FIU receives the first right of refusal to purchase the Project in the event the Project is sold;
- FIU has the right to receive and audit the financial statements associated with the operation of the Project; and
- FIU limits the grace period during which no ground rent is paid to FIU to no more than 24 months after execution of the Ground Lease.

A motion was made and passed that the FIU Board of Trustees approve an amendment to the Campus Master Plan for the Modesto A. Maidique Campus to accommodate the construction of a Hotel, Conference Center, Alumni Center and Parking; and approve the terms of the Ground Lease and other key terms associated with the Hotel, Conference Center, Alumni Center and Parking.

G2. 2017-18 University Work Plan

Board Chair Puig reported that the Governance Committee met earlier in the day. She noted that Provost and Executive Vice President Kenneth G. Furton provided a detailed overview of the 2017 University Work Plan. She noted that all State University System institutions must submit their work plans to the Florida Board of Governors, fully vetted by their respective board of trustees.

A motion was made and passed by the FIU Board of Trustees to approve the 2017-18 University Work Plan.

G3. University and President's Performance Goals, 2017-18

Board Chair Puig noted that President Rosenberg submitted a list of goals to be considered for his 2017-18 management review. She stated that in accordance with the President's employment agreement, the goals were taken directly from the University's Work Plan, which she noted consisted of the BOG's 10 performance funding metrics given the increasing importance of Performance Funding to the University's budget.

A motion was made and passed by the FIU Board of Trustees to adopt the University and President's Performance Goals for the 2017-18 academic year as included in the Board materials.

7. Status Reports, Board Committees

Finance and Facilities Committee Report

Trustee Leonard Boord, Chair of the Finance and Facilities Committee, presented highlights from the June 1, 2017 Meeting. He stated that Sr. VP and CFO Jessell reported that University operating revenues were above estimates by \$9.5M and that operating expenses were below estimates by \$26.0M, adding that the results from the State of Florida's Auditor General Financial Statements Fiscal Year ended June 30, 2016 Audit disclosed that the University's basic financial statements were presented fairly in all material respects in accordance with prescribed financial reporting standards.

External Relations Committee Report

Board Chair Puig, Chair of the External Relations Committee, presented highlights from the June 1, 2017 Meeting. She reported that Vice President of Governmental Relations Michelle Palacio reported on the 2017 legislative session and that Provost Furton provided an overview on areas of focus for the University in response to Governor Rick Scott's letter. Chair Puig stated that Senior Vice President of External Relations Sandra B. Gonzalez-Levy provided an update on initiatives and upcoming events.

Audit and Compliance Committee Report

Trustee Gerald C. Grant, Jr., Chair of the Audit and Compliance Committee, presented highlights from the Committee's meeting earlier in the day. He reported that the Committee approved the 2017-18 work plans for Internal Audit and Compliance. He stated that Chief Audit Executive Allen Vann provided updates on recently completed audits that involved pharmacy operations, construction of the Student Academic Success Center, and the adequacy of internal controls over personal data maintained by the University's Department of Parking and Transportation. Trustee Grant indicated that Assistant Vice President and Chief Compliance and Privacy Officer Karyn Boston reported on the University's progress towards completion of the BOG Checklist action items. He stated that as is stipulated in the Audit and Compliance Committee Charter, the Committee met with the Chief Audit Executive without the presence of Senior Management.

Academic Policy and Student Affairs Committee Report

Trustee Cesar L. Alvarez, Chair of the Academic Policy and Student Affairs Committee, presented highlights from the Committee's meeting earlier in the day. He reported that Provost Furton provided a brief update on the incoming FIU freshman class of 2017.

Health Affairs Committee Report

Trustee Jose J. Armas, Chair of the Health Affairs Committee, presented highlights from the Committee's meeting earlier in the day. He reported that Chair of Biomedical Engineering and Professor of the College of Engineering and Computing Ranu Jung provided an overview of the Biomedical Engineering Program and also presented a video and facilitated a demonstration of the neural-enabled prosthetic hand system technology that she and the Adaptive Neural Systems Laboratory team developed. Trustee Armas indicated that at upcoming meetings, the Committee will receive updates from the University's Robert Stempel College of Public Health and Social Work and also review the recommendations on behavioral health from the Florida Academic Healthcare Patient Safety Organization.

Governance Committee Report

Board Chair Puig presented highlights from the Governance Committee's meeting earlier in the day. She reported that the Governance Committee reviewed and approved the President's Incentive Goals for the 2017-18 academic year. She stated that in response to the BOG's request to the boards of trustees to assess their respective delegations, she is collaborating with President Rosenberg and University General Counsel Carlos B. Castillo to assess FIU's delegations of authority to the President. She reminded Board of Trustees members to submit their recommendation(s) to President Rosenberg or Provost Furton on FIU priorities that she should submit to Chancellor Criser in anticipation of the November BOG Trustee Summit. Chair Puig noted that she will begin conversations with President Rosenberg pertaining to a contract extension in order to have an agreed upon extension in place by 2018 in conformity with Section 4 of the Third Amendment to the President's employment agreement.

8. New Business

President Rosenberg introduced a video featuring the recent commencement ceremonies, noting that the University community celebrated 11 ceremonies over five days, in addition to the College of Law and the FIU-Tianjin University of Commerce graduations.

9. Concluding Remarks and Adjournment

With no other business, Board Chair Claudia Puig adjourned the meeting of the Florida International University Board of Trustees on Friday, June 2, 2017 at 3:42 p.m.

There were no Trustee requests.

Claudia Puig
Chair
FIU Board of Trustees

Mark B. Rosenberg
Corporate Secretary
FIU Board of Trustees

MB 6.15.17