



**FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

**Trustees Dean C. Colson, Leonard Boord, and Rogelio Tovar will meet with members
of the University administration**

January 28, 2019

1. Call to Order and Chair's Remarks

Trustee Dean C. Colson convened a meeting with Trustees Leonard Boord and Roger Tovar at 10:24 am on Monday, January 28, 2019, at the FIU, Modesto A. Maidique Campus, Graham Center, room 243.

General Counsel Carlos B. Castillo took roll of the Trustees in attendance, namely, Trustees Colson, Boord, and Tovar.

Trustee Colson welcomed FIU Foundation, Inc. Board of Directors Chair Richard Brilliant.

Also present were the following: Senior Vice President of Administration and Chief Financial Officer, Kenneth A. Jessell; Senior Vice President, University Advancement, Howard R. Lipman; Vice President, Research and Economic Development, Andres G. Gil; General Counsel, Carlos B. Castillo; Senior University Counsel, Rafael Prohias; Controller, FIU Foundation, Inc. and Direct Support Organizations, Milly Garcia; and Chief Administrative Officer, Advancement Services, Melissa Hernandez.

2. Discussion Item

2.1 Amended Board of Governors Regulation 9.011 University Direct Support Organizations and Health Services Support Organizations

Trustee Colson stated that he has continued to work with the University administration on finalizing amendments to the University's DSO Regulation. He then asked Trustees Leonard Boord and Roger Tovar for feedback relating to the proposed amendments to University Regulation FIU-1502, Direct Support Organizations. Trustee Tovar indicated that he recommended to either remove the reference to "during a given fiscal year" in sections 7(a), 7(b)(i), and 7(d)(i) or to include additional language referencing another related transaction regardless of time frame.

Mr. Prohias read from an e-mail containing comments provided by FIU Foundation Inc. Board of Directors Treasurer Andre L. Teixeira. Mr. Prohias first provided context to Director Teixeira's comments by indicating that as it pertains to the purchases of goods and services, any purchase of goods and services by a DSO with a total value under \$500K does not require notification to or approval by the Board of Trustees. He then provided an overview of the thresholds in terms of

reporting or approval requirements, explaining that reporting to the Finance and Facilities Committee (Finance Committee) was required for total values between \$500K and less than \$1M, prior approval by the Finance Committee was required for total values between \$1M and less than \$3M, and that prior approval by the Board of Trustees was required for total values greater than or equal to \$3M.

Subsequently, in terms of section 7(b)(ii) of the Regulation, Mr. Prohias' noted that Director Teixeira recommended applying a similar value to change order transactions relating to real estate construction and renovation projects in order to avoid the undue burden that the change orders for small projects could potentially cause for the Board of Trustees. Trustees concurred that the existing 10% threshold should be further defined to state that any change order in an amount greater than or equal to \$50K of the total value of a facilities construction or renovation project undertaken by a DSO shall require the prior approval of the Board of Trustees.

In terms of section 7(c) of the Regulation, Mr. Prohias indicated that Director Teixeira recommended only including the condition relating to a total value of less than \$500K while removing the conditions pertaining to lease terms and square footage. Trustees engaged in a discussion regarding to the conditions stipulated under section 7(c) of the Regulation. Trustee Tovar stated that while real property may be made available to the University without leasing costs, it might have other associated costs. Trustees concurred that the proposed amendment within the Regulation should not be changed and agreed that any lease of real estate by a University DSO with a total value less than \$500K, under a five-year term, or less than 5,000 square feet will require approval by the Board's Finance Committee and that thresholds exceeding these amounts would require approval by the Board of Trustees.

General Counsel Castillo explained that once the proposed revisions to the Regulation are finalized, the related thresholds could be utilized to frame the discussion pertaining to the delegations of Presidential authority. Trustee Colson mentioned that notice must be given at least 30 days prior to any proposed amendments to the DSO Regulation, which he explained was January 30, 2019.

General Counsel Castillo explained that the 30-day posting notice is not required for the proposed amendments concerning the delegations of Presidential authority and that a preliminary draft would be shared with Trustee Colson. He then stated that a follow-up meeting to review the delegations of Presidential authority would be scheduled.

3. New Business

No new business was raised.

4. Concluding Remarks and Adjournment

With no other business, Trustee Dean C. Colson adjourned the meeting with Trustees Lenard Boord and Roger Tovar and members of the University Administration on Monday, January 28, 2019 at 10:51 am.