



**FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
GOVERNANCE COMMITTEE
MINUTES
JUNE 2, 2017**

1. Call to Order and Chair's Remarks

The Florida International University Board of Trustees' Governance Committee meeting was called to order by Board Chair Claudia Puig on Friday, June 2, 2017 at 11:32 a.m. at the Modesto A. Maidique Campus, College of Business Complex, Special Events Center, room 233.

The following attendance was recorded:

Present:

Claudia Puig, *Board Chair*
Jorge L. Arrizurieta, *Board Vice Chair*
Cesar L. Alvarez
Jose J. Armas
Leonard Boord
Gerald C. Grant, Jr.

Trustees Dean C. Colson, Michael G. Joseph, Natasha Lowell, Krista M. Schmidt and Kathleen L. Wilson, and University President Mark B. Rosenberg were also in attendance.

2. Approval of Minutes

Board Chair Puig asked if there were any additions or corrections to the minutes of the March 3, 2017 Governance Committee meeting. A motion was made and passed to approve the minutes of the Governance Committee meeting held on Friday, March 3, 2017.

3. Action Items

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
Senior Vice President and Chief Financial Officer Kenneth A. Jessell presented the 2017-2020 Collective Bargaining Agreement (CBA) between the FIU Board of Trustees and Florida Public Employees Council 79, affiliate of the American Federation of State, County, and Municipal Employees, AFL-CIO (AFSCME) for Committee review. He stated that AFSCME unanimously approved the proposed 2017-2020 CBA on May 31, 2017. He explained that there are 1,142 University employees covered under AFSCME and that the average salary is \$34,400. He provided an overview of the major changes from the 2013-2016 BOT-AFSCME CBA.

In response to Trustee Leonard Boord's inquiry, Sr. VP and CFO Jessell advised that the total cumulative budgetary impact over the period covered under the CBA is \$1.8M on a recurring basis and \$1.5M on a non-recurring basis.

A motion was made and passed by the FIU Board of Trustees Governance Committee to recommend that the Florida International University Board of Trustees (the BOT) ratify the 2017-2020 Collective Bargaining Agreement between the BOT and the Florida Public Employees Council 79, affiliate of the American Federation of State, County, and Municipal Employees, AFL-CIO (AFSCME).

G2. 2017-18 University Work Plan

Provost and Executive Vice President Kenneth G. Furton provided a detailed overview of the 2017 University Work Plan. He noted that all State University System institutions must submit their work plans to the Florida Board of Governors (BOG) once fully vetted by their respective boards of trustees. Provost Furton mentioned that the top three key initiatives and investments which the University will focus on to drive the improvement of academic quality, operational efficiency and return on investments, are: 1) Student Success, providing the support needed for better student outcomes; 2) Preeminent Programs, creating an innovation nexus where preeminent programs and teams drive research, creativity, innovation, and education; and 3) StartUP FIU, a collaborative effort across the University that is a major component of FIU's coordinated research innovation and economic development program.

Provost Furton explained that in terms of student success, College Algebra had a 33% increase in passing rates for all students, indicating that improvements in the pass rate has saved 1,860 seats since Fall 2012 (compared to the Fall 2010 baseline). He stated that as it pertains to the Preeminent Programs, the University's Bridge Engineering Preeminent Program received a University Transportation Center grant from the U.S. Department of Transportation with a focus on Accelerated Bridge Construction and improving the durability and extending the life of transportation infrastructure. He added that StartUP FIU has created significant increases in FIU's invention disclosures and patent productivity, including an 89% increase in invention disclosures over the past two years (from 37 to 70) and more than doubling the patents issued from 2015 to 2016 from six to 17.

Provost Furton delineated BOG key performance indicators that the University will be monitoring over the next four years and new programs for consideration by the University in AY 2017-18. In response to Chair Puig's inquiry, Vice President Elizabeth Bejar noted that over 50% of University students are employed, explaining that over 40% of working students hold full-time employment, while approximately 80% of working students are employed at a minimum of 10- 20 hours per week. VP Bejar stated that trend data indicates that while the majority of incoming freshman are full-time students, changing economic responsibilities often lead to a change to part-time student enrollment.

In response to Trustee Boord's inquiry on StartUP FIU's self-sustaining income sources, Vice President for Research and Economic Development Andres G. Gil noted that the initiative involves multiple funding sources, adding that StartUP FIU fosters innovation and entrepreneurship and

provides the platform for research activity such as the National Science Foundation Engineering Research Centers.

Trustee Dean C. Colson recommended the State University System (SUS) Work Plan Report as a useful resource for the Board of Trustees in terms of comparing FIU relative to how each SUS institution contributes to the System's overall vision. Trustees discussed University challenges such as serving a large percentage of economically disadvantaged students where many must hold full- or part-time employment.

Trustees engaged in a discussion on the BOG's FTIC Six-Year Graduation Rate metric and the possible implications of the metric's change to a four-year graduation rate. University President Mark B. Rosenberg stated that, on average, FIU students accumulate approximately \$17,900 in student loan debt, noting that this is lower than the SUS and national averages. He added that FIU students choose to work more instead of borrowing more, further noting that students are more likely to work full-time and be enrolled part-time, which makes it difficult for them to earn degrees in a timely fashion.

A motion was made and passed that the FIU Board of Trustees Governance Committee recommend to the Florida International University Board of Trustees the approval of the 2017-18 University Work Plan.

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

Board Chair Puig noted that University President Mark B. Rosenberg submitted a list of goals to be considered for his 2017-18 management review. She added that in accordance with the President's employment agreement, the goals were taken directly from the University Work Plan.

A motion was made and passed that the FIU Board of Trustees Governance Committee recommend that the Florida International University Board of Trustees adopt the University and President's Performance Goals for the 2017-18 academic year as included in the Board materials.

G4. University President's Incentive Goals, 2017-18

Board Chair Puig noted that President Rosenberg submitted a list of goals to be considered for his incentive compensation for the 2017-18 academic year. President Rosenberg presented the 2017-18 University President's Incentive Goals for Committee review and approval, noting that the goals focus on key aspects of the University's activity, including patent production, research expenditures, fundraising, student internships, and community engagement.

Trustee Board recommended adding an additional (sixth) Incentive Goal that focuses on the University's ranking among the SUS institutions in regards to performance funding. He proposed that the goal should articulate that FIU not be in the bottom three. Trustee Board stated that this goal should be listed separately, as opposed to being included as part of the fifth proposed goal. A substantive discussion on Trustee Board's recommendation took place, including on the language of the recommended goal. Trustee Board agreed that the recommended goal should reflect that the University maintain or improve its current ranking among the SUS institutions in regards to performance funding metrics.

A motion was made and passed that the FIU Board of Trustees Governance Committee approve the amended University President's Incentive Goals for the 2017-18 academic year to include a sixth goal reflecting that the University maintain or improve its current ranking among the SUS institutions in regards to performance funding metrics.

4. New Business

Chair Puig stated that in response to the BOG's request to the boards of trustees to assess their respective delegations of authority to the President, she is collaborating with President Rosenberg and University General Counsel Carlos B. Castillo to assess FIU's delegations of authority to the President. She added that a report will be provided to the Committee at the next regularly scheduled meeting in order to review the assessment and consider potential next steps.

Chair Puig indicated that in anticipation of the November BOG Trustee Summit, BOG Chancellor Marshall Criser III requested the top two university priorities from each SUS institution board chair. She then requested that Board of Trustees members submit recommendation(s) to President Rosenberg or Provost Furton on FIU priorities that she should submit to Chancellor Criser. Trustees Jorge L. Arrizurieta and Gerald C. Grant, Jr. mentioned that priorities should highlight the University's unique mission and responsibility to the community it serves.

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. She added that the contract extension will be prepared consistent with BOG regulations and will be presented at a future date to the Board of Trustees for review and approval.

5. Concluding Remarks and Adjournment

With no other business, Board Chair Claudia Puig adjourned the meeting of the Florida International University Board of Trustees Governance Committee on Friday, June 2, 2017 at 1:19 p.m.

There were no Trustee requests.