



**FLORIDA INTERNATIONAL UNIVERSITY  
BOARD OF TRUSTEES  
GOVERNANCE COMMITTEE  
MINUTES  
DECEMBER 5, 2018**

**1. Call to Order and Chair's Remarks**

The Florida International University Board of Trustees' Governance Committee meeting was called to order by Board Vice Chair Jose J. Armas on Wednesday, December 5, 2018 at 12:27 p.m. at the FIU, Modesto A. Maidique Campus, Graham Center Ballrooms.

Board Vice Chair Armas welcomed all Trustees and University faculty and staff to the meeting.

General Counsel Carlos B. Castillo conducted roll call of the Governance Committee members and noted that a quorum was not established. Present were Trustees Jose J. Armas, *Board Vice Chair*; Leonard Board; and Justo L. Pozo.

Trustees Claudia Puig, *Board Chair*; Cesar L. Alvarez; and Gerald C. Grant, Jr. were excused.

Trustees Dean C. Colson, Natasha Lowell, Joerg Reinhold, Sabrina L. Rosell, Marc D. Sarnoff, and Rogelio Tovar and University President Mark B. Rosenberg were also in attendance.

On behalf of Board Chair, Claudia Puig, Board Vice Chair Armas requested that Trustee Dean C. Colson serve as the Board's designated point person to work with the University administration to develop and finalize amendments to the University's DSO Regulation and the Delegations of Presidential Authority. Trustee Colson agreed to the role.

**2. Approval of Minutes**

*Item was deferred to the next regularly scheduled Committee meeting.*

**3. Discussion Items**

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

General Counsel Castillo explained that earlier in the year, Senate Bill 4 was passed by the State Legislature and signed into law by the Governor and included amendments to Florida's statutory law with respect to Direct Support Organizations ("DSOs"). He stated that in response to Senate Bill 4, the Board of Governors ("BOG"), at their November meetings, passed amendments to BOG Regulation 9.011, which covers DSOs and Health Services Support Organizations. He indicated that the legislative and BOG amendments require that the University review existing Regulation FIU-1502 on DSOs and make required amendments.

General Counsel Castillo delineated three key areas of BOG amendments, noting that these pertained to real estate and construction renovation thresholds, purchases of goods and services thresholds, and Board of Trustees appointments to DSOs. In terms of Board of Trustees appointments, he stated that at the September FIU Board of Trustees Full Board meeting, Chair Puig announced that she had requested: Trustee Grant serve as the FIU Board of Trustees Chair appointed representative on the FIU Foundation, Inc. Board of Directors and its Executive Committee; Trustee Alvarez serve as the FIU Board of Trustees Chair appointed representative on the FIU Research Foundation Board of Directors and its Executive Committee; and Trustee Tovar serve as the FIU Board of Trustees Chair appointed representative on the FIU Athletics Finance Corporation Board of Directors and its Executive Committee.

General Counsel Castillo noted that thus far four SUS institutions (USF, FAU, UNF, and FPU) have taken action and then subsequently highlighted the approaches taken by these institutions in terms of specifying numeric thresholds for real estate and construction renovation and for purchases of goods and services.

Trustee Colson explained that this amendment ensures the appropriate level of oversight in terms of the DSOs and that with respect to a possible approach for the FIU Board of Trustees, notification(s) to the appropriate Committee(s) of the Board and ensuring that expenditures are appropriately budgeted for will likely be adequate.

### **3.2 Board of Trustees-President Delegation of Authority**

General Counsel Castillo explained that at the request of the BOG, SUS institutions have been in the process of reviewing and amending their delegations of authority to their respective Presidents. He noted that the BOG requested that each SUS institution, through their respective Board Chairs, submit during the fall of 2016 to the BOG a summary of existing delegations and that subsequently, the BOG asked the Board Chairs to assess their respective institution's delegations based on a discussion draft of Delegation Best Practices and Principles

General Counsel Castillo delineated a comparison chart of the SUS institutions to identify what actions other institutions have taken or are in the process of taking in five key areas: procurement (non-construction); construction/change orders; presidential direct reports; real estate leases; and lawsuits and claims authority.

Trustee Natasha Lowell voiced a concern over the timeliness of requiring Board of Trustees approval for change orders. In response to Trustee Leonard Boord's inquiry, General Counsel Castillo indicated that other than the BOG's discussion draft, there was no guidance from the BOG and explained that ultimately the delegations should meet the needs of the individual institution.

Trustees Boord and Tovar concurred that the frequency of varying threshold ranges should be reviewed, noting that while Board of Trustees approval may not be a viable option for frequently occurring thresholds, it may be appropriate for a threshold that may only occur once a year or less.

## **4. New Business**

*No new business was raised.*

### **5. Concluding Remarks and Adjournment**

With no other business, Board Vice Chair Jose J. Armas adjourned the meeting of the Florida International University Board of Trustees Governance Committee on Wednesday, December 5, 2018 at 12:50 p.m.

*There were no Trustee requests.*

*MB 12.10.18*