



Finance and Facilities Committee  
December 6, 2022  
FIU, Modesto A. Maidique Campus, Graham Center Ballrooms and Zoom

MINUTES

---

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

The Florida International University Board of Trustees' Finance and Facilities Committee meeting was called to order by Committee Chair Roger Tovar at 9:22 AM on Tuesday, December 6, 2022.

General Counsel Carlos B. Castillo conducted roll call of the Finance and Facilities Committee members and verified a quorum. Present were Trustees Roger Tovar, *Committee Chair and Board Vice Chair*; Cesar L. Alvarez (*joined after roll call*); Dean C. Colson, *Board Chair*; Natasha Lowell; Chanel T. Rowe (*via Zoom*); and Marc D. Sarnoff.

Trustees Jose J. Armas and Deanne Butchey were excused.

Trustees Carlos A. Duart and Cristhofer E. Lugo, and University President Kenneth A. Jessell also were in attendance.

Committee Chair Tovar welcomed all Trustees and members of the University administration. He also welcomed the University community and general public accessing the meeting via the University's webcast.

**2. Approval of Minutes**

Committee Chair Tovar asked if there were any additions or corrections to the minutes of the Finance and Facilities Committee meeting held on September 22, 2022. Hearing none, a motion was made and unanimously passed to approve the minutes of the Finance and Facilities Committee meeting held on September 22, 2022.

**3. Action Items**

**FF1. FIU Direct Support Organizations Financial Audits FY 2021-22**

Committee Chair Tovar requested that all components of agenda item FF1 be voted on in one motion. There were no objections.

Interim Chief Financial Officer and Senior Vice President for Finance and Administration Aime Martinez explained that FIU has four component units, FIU Foundation, Inc., FIU Research Foundation, Inc., FIU Athletics Finance Corporation and the Academic Health Center Health Care Network Faculty Group Practice, Inc. She indicated that the financial statements for all four entities are prepared in conformity with Governmental Accounting Standards Board (GASB) requirements. She added that this year several of the DSOs implemented GASB Statement No. 87, Leases, with

retrospective application to July 1, 2020. Interim CFO and Sr. VP Martinez reported that James Moore Certified Public Accountants and Consultants performed the financial audits for the component units and all the audits have been approved by the Boards of the respective entities. She pointed out that all of the audits received an Unmodified Opinion and explained that the results of the respective audits did not identify any weaknesses in internal control over financial reporting that were considered to be material weaknesses. She noted that the results of the audits disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards. Interim CFO and Sr. VP Martinez thanked the staff from the respective direct support organizations for their work.

A motion was made and unanimously passed that the FIU Board of Trustees Finance and Facilities Committee recommend that the Board of Trustees:

**FF1-A. Florida International University Foundation Inc., Financial Audit, 2021-22**

Accept the Florida International University Foundation, Inc. Financial Audit for the 2021-22 Fiscal Year and authorize the CEO of the Florida International University Foundation, Inc. to take all actions necessary pertaining to this Financial Audit, including filing the report with the Auditor General.

**FF1-B. Florida International University Research Foundation Inc., Financial Audit, 2021-22**

Accept the Florida International University Research Foundation, Inc. Financial Audit for the 2021-22 Fiscal Year and authorize the President of the Florida International University Research Foundation, Inc. to take all actions necessary pertaining to this Financial Audit, including filing the report with the Auditor General.

**FF1-C. Florida International University Athletics Finance Corporation Financial Audit, 2021-22**

Accept the Florida International University Athletics Finance Corporation Financial Audit for the 2021-22 Fiscal Year and authorize the Executive Director of the Florida International University Athletics Finance Corp. to take all actions necessary pertaining to this Financial Audit, including filing the report with the Auditor General.

**FF1-D. Florida International University Academic Health Center Health Care Network Faculty Group Practice, Inc. Financial Audit, 2021-22**

Accept the Florida International University Academic Health Center Health Care Network Faculty Group Practice, Inc. Financial Audit for the 2021-22 Fiscal Year and authorize the President of the Florida International University Academic Health Center Health Care Network Faculty Group Practice, Inc. to take all actions necessary pertaining to this Financial Audit, including filing the report with the Auditor General.

**FF2. Approval of Contract greater than \$3,000,000: PUR-05774, Adidas America Inc.**

Interim CFO and Sr. VP Martinez presented the contract with Adidas America for Committee review. She indicated that Adidas America Inc. was awarded the contract to outfit 17 student-athlete teams, employees, and support personnel during official University business or intercollegiate practices and athletics competitions. She pointed out that the initial term of the agreement will be

for five (5) and one-half (1/2) years with the option to renew for two (2) additional one (1) year terms at a cost of \$3,187,500 including renewal options and will be funded by Athletics.

Pursuant to the Delegations of Authority from the Florida International University Board of Trustees to the University President, as reflected in the Resolution on the President's Powers and Duties approved by the Board of Trustees on March 4, 2019, a motion was made and unanimously passed that the FIU Board of Trustees Finance and Facilities Committee recommend that the FIU Board of Trustees (i) approve the contract as described in the Board materials and (ii) authorize the University President or his designee to execute, on behalf of the University, the aforementioned contract.

### **3. Action Item** (*Committee Action; Full Board Information Only*)

#### **FF3. Approval of Contracts greater than or equal to \$1,000,000 and less than \$3,000,000:**

1. *Blanket Purchase Orders 244333, Smiley's Audio-Visual, Inc.*
2. *Blanket Purchase Order 243819, Apple, Inc.*
3. *Contract #PUR-06045 with West Publishing Corporation dba Thomson Reuters*
4. *Contract # PUR-06131 for Taylor and Francis License Agreement 2023-2026*

Interim CFO and Sr. VP Martinez presented the contracts greater than or equal to \$1,000,000 and less than \$3,000,000 for Committee review. She mentioned that additional purchase authority in the amount of \$500,000 with Smiley's Audio-Visual, Inc. is being requested by FIU Panther TECH to procure goods and services for institutional purchases, with a total purchasing authority of \$1,750,000. She stated that a purchase order with Apple, Inc. was approved for \$1,700,000 by the FIU Board of Trustees on September 22, 2022. She noted that the current request proposes to increase the purchasing authority to \$2,500,000, with a term through February 28, 2023 to be funded by auxiliary. Interim CFO and Sr. VP Martinez remarked that the contract with West Publishing Corporation dba Thomson Reuters is a multi-year agreement renewal to provide access to FIU College of Law students, faculty, and staff to its Practice Ready Package for a term of five (5) years at a cost of \$1,503,180. She added that said renewal represents a cost savings of approximately \$6,383,667.12. Interim CFO and Sr. VP Martinez stated that the renewal with Taylor and Francis Group LLC. is for the exempted purchase of periodicals and journals and the acquisition of copyrighted and single source instructional material with a total cost of \$1,694,958.83.

Pursuant to the Delegations of Authority from the Florida International University Board of Trustees to the University President, as reflected in the Resolution on the President's Powers and Duties approved by the Board of Trustees on March 4, 2019, (i) ) a motion was made and unanimously passed that the FIU Board of Trustees Finance and Facilities Committee approve, as listed and described in the Board materials, the University entering into the contracts and purchase orders and/or change orders to the purchase orders and (ii) authorize the University President or his designee to execute, on behalf of the University, the aforementioned contracts and/or purchase orders.

## **4. Discussion Item**

### **4.1 Financial Performance Review, FY 2022-23**

Interim CFO and Sr. VP Martinez presented the University's financial performance review for the first quarter of FY 2022-23. She indicated that operating revenues are above estimates by \$12.5M or 3% and that operating expenses are above estimates by \$4M or 1%, with a net favorable variance of \$8.5M. She pointed out that the largest driver of the favorable variance is higher revenues related to sponsored research, mainly federal projects, direct support organization reimbursements, delayed transition of management fees and international program revenues from the FIU HealthCare Network to the University. Interim CFO and Sr. VP Martinez commented that slight declines in undergraduate enrollment were offset by higher enrollments in online, international, and graduate programs.

In response to Committee Chair Tovar, Interim Provost and Executive Vice President Elizabeth M. Bejar stated that University President Kenneth A. Jessell and she will be traveling to Tallahassee to join State University System (SUS) presidents, Florida College System presidents, and all provosts to discuss statewide enrollment and 2+2 articulation. She stated that the University has taken a proactive approach and is mitigating the enrollment decline through identifying additional transfer pipelines outside of the traditional Florida College System. In response to Committee Chair Tovar, Vice President for Enrollment Management Services and Vice Provost for FIU Virtual Campus Kevin Coughlin, Jr. noted that in terms of new students, the University is experiencing increases in all areas except for Florida transfers with Associate of Arts degrees. Responding to Trustee Marc D. Sarnoff, President Jessell commented on national trends where more women are enrolling in higher education than men. He added that this is also the case at FIU and the University is examining the issue further. Interim Provost Bejar remarked on industry partnerships and on creating higher education pathways extending beyond microcredentialing as a means of attracting more male students. Committee Chair Tovar requested, for the Committee's next regularly scheduled meeting, data related to student demographics in order to gain a better understanding of enrollment declines for transfer and male students. Committee Chair Tovar commented that colleges and universities across the nation are considering eliminating the use of standardized tests as an admissions requirement. He encouraged further discussion among the University's administration and the SUS. Trustee Natasha Lowell also requested a report detailing the University's engagement and recruitment efforts in economically disadvantaged districts and neighborhoods.

## **5. Reports**

There were no questions from the Committee members in terms of the reports included as part of the agenda materials: Athletics Update; Business Services Report; Emergency Management Status Report; Facilities and Construction Update; Safety and Environmental Compliance Report; Treasury Report; Procurement Report; CasaCuba Building Update; and Foundation Report.

## **6. New Business**

No new business was raised.

## **7. Concluding Remarks and Adjournment**

With no other business, Finance and Facilities Committee Chair Roger Tovar adjourned the meeting of the Florida International University Board of Trustees Finance and Facilities Committee on Tuesday, December 6, 2022 at 9:58 AM.