



**FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES
FULL BOARD MEETING
JUNE 19, 2019
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 2:04 p.m. on Wednesday, June 19, 2019, at the FIU, Modesto A. Maidique Campus, Graham Center Ballrooms.

Deputy General Counsel Liz Marston conducted roll call of the Florida International University Board of Trustees and verified a quorum. Present were Claudia Puig, *Board Chair*; Jose J. Armas, *Board Vice Chair*; Cesar L. Alvarez; Leonard Boord; Dean C. Colson; Gerald C. Grant, Jr.; Michael G. Joseph; Natasha Lowell; Justo L. Pozo; Joerg Reinhold; Sabrina L. Rosell; Marc D. Sarnoff; and Roger Tovar.

Chair Puig issued a reminder of the upcoming Board of Governors Trustee Summit scheduled for October 29, 2019 and encouraged full Trustee participation. She asked Trustees to save the date on Wednesday, February 5, 2020 for the next FIU Day.

2. Public Appearances

There were no public appearances.

3. Foundation Report

Trustee Gerald C. Grant, Jr., Board of Trustees Chair appointed representative for the Foundation Board of Directors, presented the Foundation Report. He reported that the Next Horizon Campaign has raised \$506.1M to-date towards the \$750M goal and that \$60.9M has been raised fiscal year-to-date towards the \$65M goal. In terms of the current fiscal year, he indicated that 19 gifts, within the \$1-\$5M range, were received totaling \$28.6M. Trustee Grant highlighted this year's number of donors, 16,436, as compared to that of last year, 9,754. He stated that to-date, faculty and staff have given over \$5.2M to support their favorite FIU programs and that this is one of the highest rates of giving among faculty and staff in the country.

Trustee Grant reported that the University was recently recognized by CASE, the Council for Advancement and Support of Education, with a gold award for the FIU Ignite Program, with a silver award for a short campaign video on the Center for Children and Families, and with a gold award for FIU's 2018 Alumni Participation Challenge. He indicated that, as of April 30, 2019, the Foundation's total investment portfolio totaled approximately \$290.7M.

4. Board of Trustees Self-Evaluation Survey

Trustee Grant presented highlights from the Board's self-evaluation survey, pointing out that Trustees received the electronic self-evaluation survey on May 9, 2019 with weekly reminders thereafter. He explained that for 19 of the total 22 questions, Board members were asked if they strongly agreed, agreed, disagreed, strongly disagreed, or were neutral to a series of statements and that for questions 20-22, Board members were asked to answer open-ended questions. Trustee Grant indicated that, while generally positive and reflective of an effective governing Board, the results also provided insight as to what responding Trustees view as areas for improvement. Trustee Grant added that Trustees will discuss the survey outcomes at upcoming meetings, in terms of developing goals to further enhance Board effectiveness.

5. President's Report

University President Mark B. Rosenberg requested a moment of silence in memory of former Vice President of Student Affairs, Dr. Patricia Telles-Irvin. President Rosenberg indicated that the University community recently joined together to celebrate commencement and highlighted two recent graduates, Laura and Natalia Coronado, who are now employed at Intel. He indicated that the first cohort has completed the Urban Potential Laboratories (UP Labs) program, pointing out that the program focuses on up-skilling under-employed learners in Miami with new skills that will help them succeed in the local job market.

President Rosenberg noted that in terms of new funding, legislative session highlights included \$15M in increased base funding and \$2.5M for the Targeted STEM Initiative and that continued funding highlights included \$2.5M for the Green Family Foundation NeighborhoodHELP and \$3.9M for FIU Unique. President Rosenberg provided an overview of student achievement, pointing out that FIU's Model UN team has earned the No. 1 team ranking in North America for the first time in the program's 31-year history. He indicated that 12 Honors College Dean's Scholars were in Washington, D.C., for a dynamic three-day introductory seminar to public policy and that led by faculty-member Fang Shu, a group of eight (8) students are studying abroad in China over the Summer. He stated that, during the mission trip to Israel, Governor Ron DeSantis announced a \$5.2M National Institute of Mental Health grant to fund a collaboration between researchers at FIU and Tel Aviv University (TAU). President Rosenberg added that, also while in Israel, the University signed agreements to explore the possibility of collaboration between FIU and TAU in areas such as autism-related research and disaster and emergency management.

President Rosenberg commented that, along with the Foundation Board of Directors business meetings in June, a Next Horizon Campaign reception was held for the University's more than 3,400 alumni living and working in New York City. He added that Ms. Cynthia Gonzalez was among the alumni in attendance, and then proceeded to read an excerpt from an e-mail she wrote, in which she credits FIU for her success. He also indicated that AMPARO, an immersive theatrical experience, was directed by FIU Theatre alumna Victoria Collado and features an ensemble cast comprised of seven FIU alumni.

President Rosenberg reported that the Florida Board of Governors (BOG) designated FIU as an "emerging preeminent state research university." He also reminded Trustees that the BOG will be hosting their Trustee Summit on October 29, 2019 at the University of Florida.

6. Financial Training

Senior Vice President of Administration and Chief Financial Officer presented the BOG's financial training, *Flavors of Money*, providing an overview of the key governing Florida Statutes and BOG Regulations. He delineated components of the State University System 2018-19 operating budget. He described Education and General (E&G) revenue governing guidelines, noting that E&G funds are used for operating activities only and that ending fund balances, or carryforward, must be used for operating activities only except where expressly allowed by law. He explained that at any time the unencumbered available balance in the E&G fund falls below seven (7) percent of the approved operating budget total, the University President must provide a written notification and explanation to the BOG. He stated that interest earnings resulting from the investment of current-year E&G appropriations or from invested carryforward funds are of the same nature as the original appropriations and are subject to the same expenditure regulations as the original appropriations.

Sr. VP and CFO Jessell delineated the governing guidelines relating to Contracts and Grants. In terms of Auxiliary Operations, he stated that each institution may determine whether its auxiliary services will be self-supporting on an individual or collective basis, except for athletics, which shall be a self-supporting entity. He explained that proceeds from Auxiliary Enterprise operations may be used for purposes deemed necessary by the institution's administration and then provided examples for allowable uses of auxiliary funds. He presented an overview of the governing guidelines pertaining to Local Funds, namely student activities and services, technology fee, student financial aid, and the self-insurance program related to the Faculty Practice Plan. He pointed out that Public Education Capital Outlay (PECO) funds are used for renovation/remodeling, new construction and/or land acquisition and that the Capital Improvement Trust Fund Fee (CITF) is funded by student fees and used for student related projects. In terms of State appropriations, he defined the authorized University and non-State revenue sources for Fixed Capital Outlay (FCO) projects.

Sr. VP and CFO Jessell presented an overview relating to financing mechanisms, noting that Florida Statute authorizes financing using revenues derived from or received in relation to sales and services of auxiliary enterprises or component units of the university, and provided specific examples. He described Florida Statute guidelines pertaining to bonds, loans, certificates of participation, equipment financing, and mortgage financing. He also explained that Public Private Partnerships (P3) are subject to approval by the BOG and include Bond Finance review.

7. Action Items – Consent Agenda

Chair Puig noted that the Finance and Facilities Committee recommended approval by the Board of action items FF4-FF6, that the Academic Policy and Student Affairs Committee recommended approval by the Board of action items AP1-AP2 and AP5-AP8, and that the Governance Committee recommended approval by the Board of action item G1 contained in the Consent Agenda.

In response to Trustee Cesar L. Alvarez's request, Deputy General Counsel Marston indicated that, relying on the presenters' information, the Office of the General Counsel certifies that the items presented are legally sufficient and that the Board of Trustees can act as it so chooses to do so.

A motion was made and unanimously passed to accept the Consent Agenda, and members of the Board unanimously approved the following actions:

- **BT1. Minutes, April 18, 2019:** Approval of Minutes of the FIU Board of Trustees, Full Board meeting held on Thursday, April 18, 2019, at the Modesto A. Maidique Campus, Graham Center Ballrooms.
- **BT2. Minutes, May 24, 2019:** Approval of Minutes of the FIU Board of Trustees, Full Board meeting held on Friday, May 24, 2019, via conference call.
- **FF4. Proposed 2019-20 Fixed Capital Outlay Budget/Capital Improvement:** Approve Florida International University's 2019-20 Fixed Capital Outlay Budget and authorize the University President to amend the budget as necessary, consistent with Legislative, Florida Board of Governors', and BOT directives and guidelines.
- **FF5. Request for Approval of Florida International University's 2020-2021 Fixed Capital Outlay Legislative Budget Request, consisting of the five-year Capital Improvement Plan:** Approve FIU's 2020-2021 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 BOT directives and guidelines.
- **FF6. Public Safety and Emergency Management Facilities Expansion-Amendment:** Approve proceeding with the 100 percent construction drawings with the Architectural and Engineering firm PGAL and obtaining competitive bids for the complete project using the Construction Manager firm Biltmore and present the final guaranteed maximum price to the Finance and Facilities Committee for consideration of the project at its September 5, 2019 meeting.
- **AP1. Tenure Nominations:** Approve the Tenure Nominations as specified in the Board materials.
- **AP2. Tenure as a Condition of Employment Nominations:** Approve three (3) candidates for Tenure as a Condition of Employment (TACOE).
- **AP5. Program Termination of the Bachelor of Architecture:** Approve the termination of the Bachelor of Architecture (CIP 4.0201).
- **AP6. Program Termination of the Bachelor of Interior Design:** Approve the termination of the Bachelor of Interior Design (CIP 50.0408).
- **AP7. Program Termination of the Bachelor of Landscape Architecture:** Approve the termination of the Bachelor of Landscape Architecture (CIP 4.0601).
- **AP8. New Program Proposal: Bachelor of Fine Arts in Digital Arts:** Approve the Bachelor of Fine Arts in Digital Arts (CIP 50.0102) new program proposal.

- **G1. Direct Support Organizations Board Appointments:** Approve the appointments of the individuals listed in the board materials, to the Florida International University Foundation, Inc. Board of Directors.

8. Action Items

Trustee Leonard Boord, Finance and Facilities Committee Chair, provided highlights from the Committee's meeting earlier in the day and pointed out that the Committee engaged in a thorough review of the agenda items. He explained that the Committee had a substantive discussion relating to the Public Safety and Emergency Management Facilities Expansion-Amendment, ultimately recommending that the Board of Trustees approve proceeding with the 100 percent construction drawings with the Architectural and Engineering firm PGAL and obtaining competitive bids and present the final guaranteed maximum price to the Finance and Facilities Committee for consideration of the project at its September 5, 2019 meeting.

FF1. Proposed 2019-2020 University and Direct Support Organizations Operating Budgets

A motion was made and unanimously passed that the FIU Board of Trustees approve the FIU 2019-20 University and Direct Support Organizations Operating Budgets and authorize the University President to amend the budgets consistent with Legislative, Board of Governors' and Florida International University Board of Trustees directives and guidelines.

FF2. Proposed Amendments to Regulation FIU-1101 Tuition and Fees Schedule and FIU-1114 Tuition and Fee Refunds

A motion was made and unanimously passed that the FIU Board of Trustees approve the revisions to Regulations FIU-1101 Tuition and Fees Schedule and FIU-1114 Tuition and Fee Refunds, and delegate authority to the University President to approve any subsequent non-material amendments based on comments to the Regulations received from the Florida Board of Governors or as a result of the regulation-making process.

FF3. Proposed Amendment to FIU-1105 University Traffic and Parking Regulations

A motion was made and unanimously passed that the FIU Board of Trustees approve the proposed amendments to FIU-1105 University Traffic and Parking Regulations and delegate authority to the University President to approve any subsequent amendments that are based on comments to the Regulation received from the Florida Board of Governors and as a result of the regulation-making process.

AP3. Revisions to Regulation FIU-2501 Student Code of Conduct

Trustee Alvarez, Academic Policy and Student Affairs Committee Chair, pointed out that the Committee engaged in a substantive discussion relating to the revisions to Regulation FIU-2501 Student Code of Conduct. He explained that the proposed amendments include a new title to reflect the inclusion of Academic Misconduct and outline of behaviors that violate the Academic Code and corresponding sanctions. He added that, in response to Florida Senate Bill 1080, the revisions also reflect that organizational leaders may be responsible for hazing violations. In terms of additional revisions, he stated that medical amnesty is expanding to include hazing and that the Regulation provides for additional definitions for new terms included in the Student Conduct and Honor Code and changes to the composition of hearing panels for Title IX and Academic Misconduct violations.

A motion was made and unanimously passed that the FIU Board of Trustees approve the revisions to Regulation FIU-2501 Student Code of Conduct, and delegate authority to the University President to approve any subsequent non-material amendments based on comments to the Regulation received from the Florida Board of Governors or as a result of the regulation-making process.

AP4. Revisions to Regulation FIU-2505 Alcoholic Beverages

Trustee Alvarez indicated that the Committee also engaged in a review pertaining to the Revisions to Regulation FIU-2505 Alcoholic Beverages, pointing out that the Regulation governs the responsible and permissible possession, service, sale, consumption, and distribution of alcohol at Florida International University. He indicated that the proposed changes include removal of specified locations where service and sale of alcohol is permitted to allow for applicability to all University premises as defined in this regulation, addition of applicable definitions, update to the title of the Senior Vice President of Academic and Student Affairs, and updates to the request and approval process.

A motion was made and unanimously passed that the FIU Board of Trustees approve the revisions to Regulation FIU-2505 Alcoholic Beverages, and delegate authority to the University President to approve any subsequent non-material amendments based on comments to the Regulation received from the Florida Board of Governors or as a result of the regulation-making process.

G2. Amendments to Employment Agreement for President Mark B. Rosenberg, for 2020-2021 Term

Chair Puig explained that, pursuant to the President's current employment agreement, which continues until August 3, 2020, a contract extension must be formalized in an agreement by no later than October 1, 2019. Chair Puig noted that included in the meeting materials was a Term Sheet that delineated the amendments that would form the President's employment agreement for a fourth term, from 2020-2021. Chair Puig added that, if approved by the Board, she would enter into a contract extension with the President on the terms set forth in the Term Sheet and delineated that the proposed changes include an increase to the potential annual incentive bonus from \$100k to \$150k and a new retention bonus of \$50k. She noted that the President's reappointment would then be submitted to the Florida Board of Governors for final approval.

A motion was made and unanimously passed that the FIU Board of Trustees approve (i) amendments to the employment agreement for President Mark B. Rosenberg for the 2020-2021 Term, as described in the attached Term Sheet, and (ii) authorize the Chair of the BOT to execute, on behalf of the BOT, a contract document with language carrying forward the current contract provisions as amended per the Term Sheet.

9. Status Reports, Board Committees Audit and Compliance Committee Report

Trustee Grant provided highlights from the Committee's meeting earlier in the day, pointing out that the Committee approved the 2019-20 Work Plans for Internal Audit and Compliance and Ethics. He indicated that Mr. Trevor L. Williams, the University's Chief Audit Executive, provided an overview of the risk assessment development methodology, presented the University risk

assessment heat map and described the risk assessment development schedule. Trustee Grant stated that Mr. Williams also provided updates on recently completed audits that involved Internal Control and Data Security Audit over Personal Data Pursuant to Florida Department of Highway Safety and Motor Vehicles, Procurement Process at the Chaplin School of Hospitality and Tourism Management, College of Business, Patricia and Phillip Frost Art Museum, and Sub-recipient Monitoring.

Trustee Grant explained that Ms. Jennifer LaPorta, Chief Compliance and Privacy Officer, provided a status update on the 2018-19 Compliance Work Plan. Trustee Grant indicated that he will be conferring with members of the University administration in terms of the review of the Committee's Charter and added that as is mandated by the Committee's Charter, the Committee met with Senior Management without the presence of Internal Audit.

Finance and Facilities Committee Report

Trustee Board provided the Finance and Facilities Committee report as part of action items FF1-FF3, during which he reported on the forthcoming review of the Committee's Charter and indicated that operating revenues are above estimates by \$13.2M and that operating expenses below estimates by \$23.0M.

Academic Policy and Student Affairs Committee Report

Trustee Alvarez provided highlights from the Committee's meeting earlier in the day, pointing out that the Committee engaged in reviews relating to Tenure, Tenure as a Condition of Employment, and program terminations.

Governance Committee Report

Provided as part of action item G2.

10. New Business

Trustee Sabrina L. Rosell provided an overview of Student Government activities and initiatives, namely, Pantherization efforts at the Engineering Center, efforts to deepen collaboration with the University's alumni association, and planned visits to counterparts across the State University System.

In terms of the Board's self-evaluation survey, Trustee Board recommended that the Governance Committee discuss the identified areas for improvement at the Committee's next regularly scheduled meeting.

President Rosenberg introduced a video that highlighted sisters Shonda and Shalisha Witherspoon, explaining that their education at FIU prepared them for their careers as software engineers at IBM.

11. Concluding Remarks and Adjournment

With no other business, Board Chair Claudia Puig adjourned the meeting of the Florida International University Board of Trustees Full Board on Wednesday, June 19, 2019 at 3:21 p.m.

There were no Trustee requests.

Claudia Puig
Chair
FIU Board of Trustees

Mark B. Rosenberg
Corporate Secretary
FIU Board of Trustees