



Finance and Facilities Committee

March 3, 2022

FIU, Modesto A. Maidique Campus, Graham Center Ballrooms and via 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 9:32 a.m. on Thursday, March 3, 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*; Jose J. Armas, *Committee Vice Chair*; Cesar L. Alvarez; Dean C. Colson, *Board Chair*; Natasha Lowell; Joerg Reinhold; Chanel T. Rowe (*via Zoom*); and Marc D. Sarnoff.

Trustees Donna J. Hrinak (*via Zoom*), Gene Prescott, and Alexander Rubido, and Interim University President Kenneth A. Jessell also were in attendance.

2. Approval of Minutes

Committee Chair Tovar asked that the Committee approve the minutes of the meeting held on December 8, 2021. A motion was made and unanimously passed to approve the minutes of the Finance and Facilities Committee meeting held on December 8, 2021.

3. Action Items

FF1. Review of Test Preparation Fee, College of Law

Interim Chief Financial Officer and Vice President for Finance and Administration Aime Martinez presented the College of Law Test Preparation Fee for Committee review. She explained that it is a requirement that every five years, the FIU Board of Trustees review said fee to determine if it has met its intended outcomes and whether the fee should be increased, decreased, or discontinued. She pointed out that the FIU Board of Trustees last approved the Test Preparation Fee on March 3, 2017, adding that said fee is currently set at \$2,750 and used only in the College of Law for the Bar Preparation Course. CFO and VP Martinez commented on the benefits to the students, such as lower cost from negotiated rates and that by including the Test Preparation Fee as part of the degree requirements of the program, students may be eligible to pay for the course through financial aid.

College of Law Dean Antony Page remarked on the effectiveness of the Test Preparation Fee, stating that in each of the last seven mid-year Florida Bar examinations, FIU College of Law graduates passed at higher rates than all the other law schools in Florida and that in the last six February examinations, FIU College of Law graduates achieved the highest score three times and the second highest score three times. Dean Page commented on national recognition in terms of fostering Bar exam success through effective preparation. He explained that part of the Fee supports

the College's Academic Excellence Program, adding that the book *Grasp: The Science Transforming How We Learn*, specifically mentions the success of said program.

Trustees recognized the College's performance and the high caliber graduates.

A motion was made and unanimously passed that the FIU Board of Trustees Finance and Facilities Committee recommend that the FIU Board of Trustees approve the continuation of the Test Preparation Fee.

FF2. Approval of Contract #PUR-04918 with Amazon.com Services LLC.

CFO and VP Martinez presented contract #PUR-04918 with Amazon.com Services LLC. for Committee review. She explained that through a piggyback agreement, it is estimated that FIU will be spending approximately \$7.5M through Amazon, for the next three and a half years.

Pursuant to the Delegations of Authority from the FIU 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 recommend that the FIU Board of Trustees approve the University entering into the contract as specified in the Board materials, and (ii) authorize the University President or his designee to execute, on behalf of the University, the aforementioned contract and all of the documents, and take all actions, that may be necessary to effectuate the transactions contemplated in the contract.

FF3. Amendment to Signature Authority -Authorization to Sign Checks for the University

There were no questions or comments from the Committee members.

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

BE IT RESOLVED THAT, the following officers and employees of the University are authorized to sign checks to pay legal obligations of the University from any and all designated University depositories:

Kenneth A. Jessell, Interim President

Aime Martinez, Interim Chief Financial Officer and Vice President for Finance and Administration

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

FF4. Approval to Issue Change Orders for Purchase Orders greater than or equal to \$1,000,000 and less than \$3,000,000: Increase Purchase Order 0000234830 Equinix Inc.

CFO and VP Martinez presented the request to increase the purchase order with Equinix Inc. for Committee review and approval. She explained that a Sole Source request for Equinix Inc. was approved in February 2019 for \$1,000,000, noting that a new Sole Source with Equinix is now being requested and has been submitted to the Interim President for approval. She explained that Equinix Inc. is the operator of the Americas datacenter facility (NAP), located in Downtown Miami, FL and

the MI3 datacenter facility in Boca Raton, FL. She pointed out that the vendor houses University equipment to support network operations, adding that the FIU Center for Internet Augmented Research and Assessment (CIARA) operates the AMPATH International Exchange Point as a major research instrument under the auspices of the National Science Foundation (NSF) and international, state, and regional research and education networks (RENs). CFO and VP Martinez indicated that the University has been awarded over \$8M, over time, from the NSF for this operation.

Pursuant to the Delegations of Authority from the FIU 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 approve, as specified in the Board materials, the University issuing a change order to the purchase order and (ii) authorize the University President or his designee to execute, on behalf of the University, the aforementioned contract.

Committee Chair Tovar pointed out that Board of Trustees members are thoroughly briefed in anticipation of every Board meeting.

4. Discussion Item

4.1 Financial Performance Review, Second Quarter FY 2021-22

CFO and VP Martinez presented the University's financial performance review for the second quarter of FY 2021-22. She indicated that operating revenues are above estimates by \$3M or 0.4% and that operating expenses are below estimates by \$10.7M or 1.5%, with a net favorable variance of \$13.7M. In terms to the operating revenues, CFO and VP Martinez described the key drivers, including a higher number of enrolled students in the HealthCare Network international program and higher revenues from auxiliary enterprises. She commented on lower student fee revenues resulting from lower undergraduate enrollment. Relating to operating expenses, she described the key drivers, such as savings from vacant positions and in-unit savings and lower auxiliary expenses due to vacant positions across all auxiliaries.

In response to Committee Chair Tovar, Interim Provost and Executive Vice President Elizabeth M. Bejar remarked that the 3% decline in undergraduate enrollment is less than the national average of declining enrollment. She added that the transfer student pipeline has been impacted nationally and particularly locally. She pointed out that the University is closely monitoring freshman applications and continues to work on various interventions to provide positive impacts for the fall 2022-23 academic year. Vice President for Enrollment Kevin Coughlin, Jr. indicated that as it relates to applications, the summer and spring terms experienced increases when compared to the prior year. He added that fall numbers are slightly lagging because the University has been reimposing SAT and ACT score requirements that were lowered for the 2021-22 year.

Committee Chair Tovar encouraged the University to continue its marketing efforts to ensure that the FIU story is being shared. Interim Provost Bejar remarked that the University has been working proactively on strategic buys and communication strategies to impact enrollment and recruitment at the high-achieving student level.

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 Thursday, March 3, 2022 at 10:02 a.m.