



**FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

**Trustees Dean C. Colson, Leonard Boord, and Rogelio Tovar will meet with members
of the University administration**

February 20, 2019

1. Call to Order and Chair's Remarks

Trustee Dean C. Colson convened a meeting with Trustee Roger Tovar at 11:01 am on Wednesday, February 20, 2019, at the FIU, Modesto A. Maidique Campus, MARC, 513.

General Counsel Carlos B. Castillo took roll of the Trustees in attendance, namely, Trustees Colson and Tovar (by phone).

Trustee Leonard Boord was excused.

Trustee Colson welcomed Trustee Gerald C. Grant, Jr., and FIU Foundation, Inc. Board of Directors Treasurer Andre L. Teixeira, who were participating telephonically.

Also present were the following: Senior Vice President of Administration and Chief Financial Officer, Kenneth A. Jessell; Senior Vice President, University Advancement, Howard R. Lipman; General Counsel, Carlos B. Castillo; Senior University Counsel, Rafael Prohias; Controller, FIU Foundation, Inc. and Direct Support Organizations, Milly Garcia; and Chief Administrative Officer, Advancement Services, Melissa Hernandez.

2. Discussion Item

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

Trustee Colson stated that he has continued to work with the University administration on finalizing amendments to the University's DSO Regulation, FIU-1502. Trustee Colson mentioned that in accordance with regulations development procedure, notice of the proposed amendments to the DSO Regulation was posted on January 30, 2019.

At the request of Trustee Colson, General Counsel Castillo provided an overview of the comments and suggested revisions to the posted DSO Regulation as provided by Director Teixeira.

Director Teixeira explained that, in terms of section 7(b)(ii) of the DSO Regulation, the existing \$50K threshold should be further defined to include a 10% threshold, indicating that this would avoid the undue burden that the change orders for small projects could potentially cause for the

Board of Trustees. A discussion ensued, and it was agreed upon that 5% would be a more appropriate threshold so that the relevant language would be modified to state that any change order in an amount greater than or equal to \$50K and 5% of the total value of a facilities construction or renovation project undertaken by a DSO would require the prior approval of the Board of Trustees.

Director Teixeira also delineated his recommendations in regards to section 7(c) of the Regulation, indicating that when any lease of real property by a DSO has a total value greater than \$500,000, is greater than 5,000 square feet, and has a term longer than five years, then this would require the prior approval of the Board of Trustees. He added that when a lease does not meet all three of these thresholds, but meets at least one of them, this would require the prior approval by the Finance Committee. A discussion ensued and subsequently Director Teixeira's recommendations were accepted.

At the request of Trustee Colson, Director Teixeira explained his recommendation relating to section 7(e) of the Regulation, suggesting the inclusion of language that defines resources in terms of financial resources. A discussion ensued pertaining to the recommendation. Trustee Tovar explained that resources should not be limited to financial terms and that the Board of Trustees should be made aware of instances where DSOs are utilizing a great deal of labor resources. Sr. VP and CFO Jessell explained that the term resources does not require further refining given that resources include those that relate to the physical plant, human capital, as well as financial and that through Presidential delegations of authority, the University President can make decisions pertaining to the use of human capital resources. A discussion ensued pertaining to the inclusion of "incremental" to define resources.

After further discussion, Trustee Colson's recommendation of removing BOT was accepted, and it was agreed that the language did not need to include "incremental" and should state that to the extent that any University resources are requested and/or required in connection with DSO real estate construction and/or renovation, a DSO real estate lease, or DSO real estate acquisition (whether through a purchase, gift, or otherwise), approval shall be required in accordance with BOT delegated authority requirements to the University.

General Counsel Castillo explained that a notice with the agreed upon revisions would be posted and that the revised University Regulation on DSOs would be considered by the Board of Trustees Governance Committee at its next regularly scheduled meeting and if recommended favorably, would then be considered for approval at the Full Board Meeting.

2.2 Board of Trustees-President Delegations of Authority

Trustee Colson requested that General Counsel Castillo review the draft Resolution on Presidential Delegations of Authority individually with Trustees Boord, Grant, and Tovar. Trustee Colson explained that the draft Resolution aligns with Board of Governors best practices and generally aligns with terms and conditions delineated within the University's DSO Regulation.

3. New Business

No new business was raised.

4. Concluding Remarks and Adjournment

With no other business, Trustee Dean C. Colson adjourned the meeting with Trustee Roger Tovar and members of the University Administration on Wednesday, February 20, 2019 at 11:36 am.

2.28.19 MB

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