

BOARD OF TRUSTEES

Governance Committee Meeting Agenda

February 9, 2022
2:15 – 3:15 PM

Florida Polytechnic University
WEBEX TELECONFERENCE MEETING

Dial in: 1-415-655-0001 | Access code: 2437 599 3197#

MEMBERS

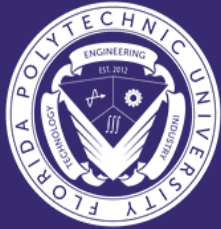
Mark Bostick, Chair
Dr. Narendra Kini

Bob Stork, Vice Chair

Dr. Earl Sasser

AGENDA

- | | | |
|-------|--|---------------------|
| I. | Call to Order | Mark Bostick, Chair |
| II. | Roll Call | Sherri Pavlik |
| III. | Public Comment | Mark Bostick, Chair |
| IV. | Approval of the November 10, 2021 Minutes
<i>*Action Required*</i> | Mark Bostick, Chair |
| V. | 2021-22 Governance Committee Work Plan Review | Mark Bostick, Chair |
| VI. | Nominations for Chair and Vice Chair | Mark Bostick, Chair |
| VII. | 360° Review of the President
<i>*Action Required*</i> | Gina DeIulio |
| VIII. | Repeal of Policy on President's Authority to Execute Change Orders and Purchase Agreements related to FF&E for the ARC Project
<i>*Action Required*</i> | Gina DeIulio |
| IX. | Closing Remarks and Adjournment | Mark Bostick, Chair |



Governance Committee Meeting

DRAFT MEETING MINUTES

**Wednesday, November 10, 2021
8:30 a.m. – 10:00 a.m.**

Florida Polytechnic University WEBEX TELE-CONFERENCE MEETING

I. Call to Order

Committee Vice Chair Bob Stork called the Governance Committee meeting to order at 8:30 a.m.

II. Roll Call

Sherri Pavlik called the roll: Committee Chair Mark Bostick, Committee Vice-Chair Bob Stork, Trustee Narendra Kini, and Trustee Earl Sasser were present (Quorum)

Other Trustees present: Chair Cliff Otto, Trustee Laine Powell

Staff present: President Randy Avent, Gina DeIulio, Kathy Bowman, Maggie Mariucci, Penney Farley, David Blanton, Melaine Schmiz, Mike Dieckmann, John Causey, Kris Wharton, Kim Abels, Michele Rush, and Sherri Pavlik

III. Public Comment

There were no requests received for public comment.

IV. Approval of Minutes

Trustee Mark Bostick made a motion to approve the Governance Committee meeting minutes of September 8, 2021. Trustee Earl Sasser seconded the motion; a vote was taken, and the motion passed unanimously.

V. 2020-22 Governance Committee Work Plan Review

There were no changes to the work plan at this time.

VI. President's Evaluation for 2020-2021

Board Chair Cliff Otto shared comments from his call with the Board of Governors' Chair Syd Kitson regarding President Randy Avent's performance. The Board of Governors is delighted with the performance of President Avent and is amazed at the rankings the University has accomplished in *US News and World Report* and other media for such a new institution.

The floor opened for discussion on the *President's Annual Review, July 2020-June 2021, Composite of the Trustees' Evaluations*.

Committee Vice Chair Bob Stork appreciated the increase in the comments trustees made on the evaluations as they give the committee more insight.

Committee Chair Mark Bostick was amazed at the student growth and the rankings that were accomplished during COVID-19. He acknowledged President Avent and his team and stated the University is moving in a really good direction.

Trustee Narendra Kini inquired how the feedback can be used to enhance the recognition of the faculty and team's efforts in helping the president reach his goals. For example, enhance with a board member lunch, increase their exposure to committees and board members, etc.

President Avent noted that the University is getting attention, not because of him, but because of everyone at the University – staff and faculty. Recognition for faculty and staff are highlighted during the annual ABLAZE awards ceremony, and by sending encouraging emails when there are news articles, etc. Ideas and suggestions on how to recognize employees are always appreciated.

Trustees Bob Stork and Earl Sasser highlighted President Avent's leadership and great team.

Trustee Kini asked if President Avent had any comments on the "Partially Achieved" rating. President Avent agreed with the overall ratings stating they were accurate and relative to the University's current stage of growth. The Academic Progress Rate (APR), 4-Year Graduation Rate, and Graduate Programs were tough to achieve during COVID-19.

Trustee Kini then inquired if the Board of Trustees is doing what they need to do for him as president. President Avent affirmed he has a great board, and they provide him everything he needs. The model he adheres to is that the board is primarily responsible for strategic decisions and administration is responsible for operational decisions with influence from the board, faculty, and staff.

Trustee Narendra Kini made a motion to recommend to the Board of Trustees the document *President's Annual Review, July 2020-2021, Composite of the Trustees' Evaluations* reflecting the President's annual evaluation for 2020-2021. Trustee Mark Bostick seconded the motion; a vote was taken, and the motion passed unanimously.

VII. President's Compensation Adjustments

Committee Vice Chair Stork reminded the committee that under the existing employment agreement the president is entitled to a minimum 3.5% increase in his base salary and is entitled to a performance compensation bonus if his overall performance is "achieved" or higher.

Chair Otto reminded the committee that the salary adjustment was not taken the previous two years. He and BOG Chair Kitson discussed base salary adjustments,

and Chair Kitson concurred it is not appropriate to continue to waive the increase, particularly since the contract is clear. Chair Otto commented that President Avent is comfortable with a 3.5% increase and does not think he would be comfortable with more than that amount.

Trustee Earl Sasser made a motion to recommend approval to the Board of Trustees to award President Randy Avent the minimum 3.5% increase to his base salary. Trustee Narendra Kini seconded the motion; a vote was taken, and the motion passed unanimously.

Discussion then moved to the president's performance compensation/bonus. Committee Vice Chair Stork stated that the president's overall evaluation was "Exceeded," and as stated under contract, it is the discretion of the Board of Trustees to increase the bonus above 20% to an amount not to exceed 30% of his current annual base salary. He suggested the increase be 27.5%. He then opened the floor for further discussion.

The committee agreed that President Avent did a remarkable job, specifically during a difficult time (COVID-19) and discussed a variety of percentages.

Trustee Earl Sasser made a motion to recommend approval to the Board of Trustees to award President Randy Avent a performance compensation bonus in the amount of 29% of his current annual base salary. Trustee Mark Bostick seconded the motion; a vote was taken, and the motion passed unanimously.

Chair Otto supports the committee's general decision. He shared that BOG Chair Kitson stated President Avent is now the 2nd longest in longevity of any university president in the Florida system.

VIII. Renewal of President's Employment Agreement for 2022-2023

Committee Vice Chair Stork opened the discussion on the renewal of President Avent's employment agreement for another year.

Ms. Gina DeIulio stated the only change to the Agreement is the appointment term which extends through July of 2022.

Chair Otto reminded members that the Board is not permitted to renew the President's contract for more than one year at a time.

Trustee Mark Bostick made a motion to recommend to the Board of Trustees the renewal of President Randy Avent's appointment term, commenced on July 7, 2013, for an additional year ending July 6, 2023. Trustee Earl Sasser seconded the motion; a vote was taken, and the motion passed unanimously.

Extending the appointment term requires the Contract to be amended to accomplish the renewal.

Trustee Earl Sasser made a motion to recommend to the Board of Trustees approval of draft Amendment #2 to the President's Employment Agreement. Trustee Mark Bostick seconded the motion; a vote was taken, and the motion passed unanimously.

IX. Revisions to Resolution Powers and Duties of the President

Committee Vice Chair Stork invited Ms. DeIulio to review the proposed changes from September's meeting, and to provide information on the areas of Construction Contracts, Construction Change Orders, and Settlement of Claims to see if any further changes are warranted.

The committee agreed to increase the president's authority up to \$1M on Purchase Agreements, amounts over \$1M to require the Finance and Facilities Committee Chair approval, amounts over \$2M to require the Finance and Facilities Committee approval, and that regular reports on contracts presented to the Finance and Facilities Committee be required only annually and only for contracts exceeding \$1M.

The president's authority on Construction Contracts, Construction Change Orders, and Settlement of Claims was reviewed and no changes were recommended.

DeIulio stated the proposed changes to the Resolution will also be discussed in the Finance and Facilities Committee Meeting.

The Committee took a vote to recommend approval of the revised Resolution to the Board - all agreed.

X. Closing Remarks and Adjournment

Committee Vice Chair Stork thanked the committee and with no further business to discuss, adjourned the meeting at 9:18 a.m.

**Florida Polytechnic University
Governance Committee
Board of Trustees
February 9, 2022**

Subject: Governance Committee Work Plan 2021-2022

Proposed Committee Action

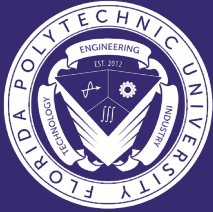
No action required unless changes are requested.

Background Information

Committee Chair Mark Bostick will review the Committee's 2021-2022 Committee Work Plan.

Supporting Documentation: Governance Committee Work Plan 2021-2022

Prepared by: Gina DeIulio, VP & General Counsel



Committee Work Plan

Governance Committee Work Plan 2021-2022

SEPTEMBER

- Review Governance Committee Charter (review every two years – due September 2022)
- Make recommendation on trustee evaluation instrument to be used for President’s annual review

NOVEMBER

- Make recommendations to the Board on President’s evaluation outcome and compensation changes
- Make recommendation to Board on renewal of President’s employment agreement and any necessary changes to the agreement

FEBRUARY

- Review Board Bylaws (review every 3 years – due 2024)
- Discuss nominations for Board Chair and Vice Chair (every 2 years - due February 2022)
- Oversee Board self-assessment (every 5 years – due February 2023)

MAY

- Make recommendation to Board on President’s proposed goals for FY+1
- Discuss Board training needs
- Make recommendation on nominations for Board Chair and Vice Chair (every two years – due May 2022)

**Florida Polytechnic University
Governance Committee
Board of Trustees
February 9, 2022**

Subject: Nominations for Chair and Vice-Chair

Proposed Committee Action

Discussion on possible nominations for Chair and Vice-Chair – action required at the May meeting.

Background Information

The Board of Trustees Chair and Vice-Chair two-year terms will be expiring August 1, 2022. The Governance Committee will make a recommendation to the Board at the May 2022 meeting. The two-year terms of the officers will begin on August 1, 2022. The officers of the Board of Trustees must be appointed members of the Board. The pertinent provisions of the Boards bylaws are provided below.

**Section 4.2
SELECTION OF OFFICERS AND TERMS OF OFFICE**

The Board shall elect the Chair and Vice-Chair from the appointed members of the Board at its last regular meeting prior to August 1 upon recommendation of the Governance Committee; the Chair and the Vice-Chair shall each serve for a two-year term to begin on August 1. The Chair and the Vice-Chair shall be eligible for reselection for one additional consecutive term by vote of the Board, after which they may not be an officer for two years before being eligible for selection again. There shall not be automatic succession by virtue of holding an office, except as otherwise provided in Section 4.3.

**Section 4.4
CHAIR**

The duties of the Chair shall include presiding at all meetings of the Board, calling special meetings of the Board, determining the composition of all Board committees requiring assignment, appointing committee chairs, serving as an ex officio voting member on all Board committees unless these Bylaws provide otherwise, appointing at least one representative to the board of directors and the executive committees of the direct support organizations, signing and executing all documents and instruments on behalf of the Board, attesting to actions of the Board, serving as spokesperson for the Board, and fulfilling other duties as may be required by law or assigned by the Board or the Board of Governors. The Chair shall perform such duties in consultation with the University President. The Board may also delegate the authority to sign and execute documents and instruments on behalf of the Board to the Corporate Secretary. The Chair is responsible for causing the Board to conduct an annual evaluation of the University President.

**Section 4.5
VICE-CHAIR**

The duty of the Vice-Chair is to perform the duties of the Chair with full authority during the absence or disability of the Chair and to fulfill other duties as may be assigned by the Board.

Supporting Documentation: Appointed Trustees' Terms

Prepared by: Gina DeIulio, VP & General Counsel

Nominations for Chair and Vice-Chair

Appointed Trustees' Terms

Trustee	Current Term	Appointing Authority
BOG appointees eligible for reappointment after current term expires		
Beth Kigel	7/16/20 - 7/15/25	BOG
Dr. Laine Powell	9/16/20 - 7/15/24	BOG
Dr. Narendra Kini	11/5/20 - 11/7/22	BOG
Dr. W. Earl Sasser	10/30/19 - 7/15/24	BOG
Lyn Stanfield	11/5/20 - 7/15/25	BOG
Governor appointees - eligible for reappointment, no limit on terms		
Cliff Otto (Chair)	3/24/16 - 6/30/19	Governor
Gary Wendt	11/9/17 - 6/30/22	Governor
Mark Bostick (Vice Chair)	7/13/12 - 6/30/25	Governor
Robert "Bob" Stork	11/5/12 - 6/30/23	Governor

**Florida Polytechnic University
Governance Committee
Board of Trustees
February 9, 2022**

Subject: 360° Review of President

Proposed Committee Action

Recommend to the Board of Trustees whether or not the 360° Review of the President's performance should be conducted this academic year.

Background Information

The Board of Trustees Policy on Annual Review of the President adopted on February 17, 2021, provides that "a comprehensive review of the President's performance and compensation shall first be conducted toward the latter part of the President's third year of employment with the University and **then normally occur at five-year intervals thereafter.**"

The last 360° Review of the President was performed in 2017; therefore, the second 360° review would need to be conducted in 2022.

The purpose of the comprehensive review is to strengthen the leadership of the President and Board by assessing the quality of their relationship and the President's performance through an independently conducted process which will normally include a 360° review. The process seeks to gather, on a wide range of management and governance matters, the informed perceptions of leaders of major stakeholder groups, as well as those of the President and trustees.

It is the responsibility of this Committee for organizing and conducting the comprehensive review process with the President, with the assistance of an independent consultant. Staff needs to know whether the comprehensive review will take place this year so that appropriate arrangements can be made.

Supporting Documentation: Pertinent parts of the Policy on Annual Renewal of the President

Prepared by: Gina DeIulio, VP and General Counsel

**Florida Polytechnic
University Board of Trustees
Policy on Annual Review of the President
adopted February 17, 2021
(in pertinent part)**

This policy supplements Florida Board of Governors ("BOG") regulations and provides guidelines for conducting the annual review and assessment of the President's performance, goals, and compensation by the Board of Trustees ("Board"). This policy outlines the purposes and details the process by which the President's performance, goals, and compensation shall be reviewed by the Board on an annual basis. In addition, a comprehensive review of the President's performance and compensation shall first be conducted toward the latter part of the President's third year of employment with the University and then normally occur at five-year intervals thereafter...

Comprehensive Review

Purpose

The purpose of the comprehensive review is to strengthen the leadership of the President and Board by assessing the quality of their relationship and the President's performance through an independently conducted process which will normally include a 360° review. The process seeks to gather, on a wide range of management and governance matters, the informed perceptions of leaders of major stakeholder groups, as well as those of the President and trustees.

Responsibility

It is the Board's responsibility to comprehensively assess the quality of the relationship of the President and the Board of Trustees; and the President's performance and compensation, first toward the latter part of the President's third year of employment with the University, **and then normally at five-year intervals thereafter**. The Governance Committee, as its members shall mutually decide and within the parameters of this policy, is delegated the responsibility for organizing and conducting the comprehensive review process with the President, with the assistance of an independent consultant. The selected consultant shall not be connected, directly or indirectly, with the institution by present or past affiliation. The Board Chair and the President shall be consulted regarding the selection of the consultant. Procedural details shall be decided upon by the Governance Committee, with the consultant's advice and counsel, and within the parameters of this policy.

Process

All activities in this comprehensive review process shall be completed within four months after the selection of the consultant. The activities shall include personal interviews with appropriate individuals, internal and external to the institution, as agreed upon by the Committee and consultant. They also shall agree on the general nature of the questions to ask. A staff member shall be assigned to work directly with the consultant and the Committee.

The customary annual review shall be modified to be consistent with the advice of the consultant and Committee. Prepared in advance of the review process, the President's self-evaluation for years in which a comprehensive review is conducted shall provide a comprehensive picture of the institution's academic, financial, and other indicators of progress during the President's tenure. It should highlight particular achievements, as well as persistent institutional issues.

The Committee shall also decide how best to communicate with the University community and Lakeland and Polk County area before, during, and after this process. The Committee is delegated the authority to agree to (1) the consultant's compensation and an appropriate schedule of payments and reimbursements, (2) the general written and/or oral format for the consultant's report (for later submission to the Committee, President, and Board), and (3) the arrangement by which the consultant will be available to discuss the report with the President and the full Board.

Outcomes

The consultant will provide a comprehensive written report detailing the institution's progress and major achievements during the President's tenure, and the Board will consider the consultant's report in the Board's annual review of the President for that year. The consultant's report shall include substantive recommendations for both the President and the Board designed to strengthen the University's leadership, management, and governance.

**Florida Polytechnic University
Governance Committee
Board of Trustees
February 9, 2022**

Proposed Committee Action

Recommend to the Board of Trustees the repeal of the *Policy on President's Authority to Execute Change Orders and Purchase Agreements related to FF&E for the ARC Project*.

Background Information

The *Policy on President's Authority to Execute Change Orders and Purchase Agreements related to FF&E for the ARC Project* was adopted by the Board of Trustees on September 15, 2021 to temporarily increase the President's authority. Subsequently, the Board adopted a revised *Resolution on Powers and Duties of the President* that increased the President's authority as it relates to purchasing agreements from \$500K to \$1M, with the Chair of the Finance Committee approving contracts that are \$1M to \$2M in total value, and the Finance & Facilities Committee approving any contracts exceeding \$2M in total value. Therefore, the temporary *Policy on President's Authority to Execute Change Orders and Purchase Agreements related to FF&E for the ARC Project* is no longer necessary and should be repealed.

Supporting Documentation:

1. Policy on President's Authority to Execute Change Orders and Purchase Agreements related to FF&E for the ARC Project
2. Pertinent parts of 2021-004 Resolution on the Powers and Duties of the President

Prepared by: Gina DeIulio, VP and General Counsel

~~Florida Polytechnic University Board of Trustees~~

~~Policy on President's Authority to Execute Change Orders and Purchase Agreements related to FF&E for the ARC Project~~

~~Applicability~~

~~This policy applies only to change orders and purchasing agreements related to providing furniture, fixtures and equipment (FF&E) for the Applied Research Center project in order to expedite the work in progress. To the extent this policy conflicts with BOT resolution 2017-003 on Powers and Duties of the President, this policy shall control.~~

~~Purpose~~

~~The purpose of the policy is to:~~

- ~~1. authorize the President to approve and execute change orders related to the Applied Research Center project in the name of the Board in order to expedite the work in progress on the project. If the change order is \$100,000 or more, the President will get the approval of the Board Chair or Finance & Facilities Committee Chair prior to executing the change order.~~

~~The President is not required to get the Finance & Facilities Committee or Board's approval of such change orders even if the total value of the change order is \$100,000 or more. The President will later report any such change orders that exceed \$100,000 to the Finance & Facilities Committee and the Board.~~

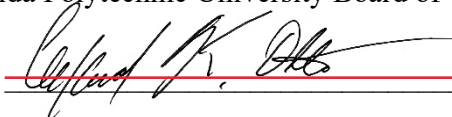
- ~~2. authorize the President to approve and enter into purchasing agreements for furnishings, fixtures and equipment for the Applied Research Center project. If an agreement has a total value of \$500,000 or more, the President will get the approval of the Board Chair or Finance & Facilities Committee Chair prior to executing the agreement.~~

~~The President is not required to get the Finance & Facilities Committee's or Board's approval of such agreements prior to execution even if the total value of an agreement is \$500,000 or more. The President will later report any such agreements that exceed \$500,000 in value to the Finance & Facilities Committee and the Board.~~

~~**Limit on Authority:** The sum total cost of all such change orders and purchase agreements may not cause the total cost of the Applied Research Center project to exceed the Board approved budget for the project.~~

~~Adopted by the Florida Polytechnic University Board of Trustees on September 15, 2021.~~

~~Chair's signature:~~

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**Board of Trustees
Resolution 2021-004
Powers and Duties of the President
adopted November 17, 2021
(in pertinent part)**

(5) Property and Purchasing...

(e) Approve and execute contracts for the purchase, sale, lease, license or acquisition of commodities, goods, equipment and contractual services, including professional architectural services (Purchasing Agreements) with a contract value up to and including \$1,000,000 (contract value includes initial term and all potential renewals).

For Purchasing Agreements where the contract value exceeds \$1,000,000, approval of the Chair of the Finance and Facilities Committee is required prior to executing the Purchasing Agreement. In addition, if there are subsequent amendments to a Purchasing Agreement that would cause the contract value of the agreement to exceed \$2,000,000, approval by the Finance and Facilities Committee is required prior to executing the amendments.

On an annual basis, the Finance and Facilities Committee will be provided an update on the current Purchasing Agreements (which shall include the vendor's name and expenditures to date for those contracts awarded) with a contract value in excess of \$1,000,000 as an informational item.

Purchasing Agreements related in scope that are with the same vendor shall be aggregated for the purposes of determining approval authority and reporting requirements.

...

(i) In accordance with the provisions of section 1013.48, Florida Statutes, approve change orders in the name of the Board of Trustees for amounts not exceeding \$100,000. All such approvals shall be for the purpose of expediting the work in progress. The President may approve and execute change orders for an amount exceeding \$100,000 only after consultation with and approval of the chair of the Finance and Facilities Committee, or if the chair has a conflict of interest, the Board Chair's designee. The Board Chair and Vice Chair shall be notified of all change orders and will be included as an informational item on the Finance and Facilities Committee agenda.

Change orders exceeding \$100,000 require the approval of the Board of Trustees Finance and Facilities Committee prior to execution.

All change orders shall be reported to the Board of Trustees and entered in to the official minutes as soon as practicable at a regular meeting of the Board.