

**FLORIDA POLYTECHNIC UNIVERSITY
BOARD OF TRUSTEES
GOVERNANCE COMMITTEE
MEETING MINUTES
Florida Industrial and Phosphate Research Institute
1855 W. Main St., Bartow, FL 33830
June 8, 2017 @ 8:30 AM**

I. Call to Order

Committee Vice Chair Philip Dur called the Governance Committee meeting to order at 8:35 a.m.

II. Roll Call

Maggie Mariucci called the roll: Committee Chair Dick Hallion, Vice Chair Philip Dur, Trustee Mark Bostick, and Trustee Don Wilson were present (Quorum).

Other trustees present: Trustee Jim Dewey, Trustee Sandra Featherman, Trustee Jacob Livingston, and Trustee Frank Martin.

Staff present: President Randy Avent, Mr. Kevin Aspegren, Ms. Gina DeJulio, Mrs. Maggie Mariucci, Mr. Rick Maxey, Mr. Mark Mroczkowski, Dr. Terry Parker, and Ms. Kathy Mizereck.

III. Public Comment

There were no requests received for public comment.

IV. Approval of Minutes

Trustee Jim Dewey made a motion to approve the Governance Committee meeting minutes of March 15, 2017. Trustee Mark Bostick seconded the motion. A vote was taken, and the motion passed unanimously.

Trustee Mark Bostick made a motion to approve the Governance Committee meeting minutes of May 19, 2017. Trustee Dick Hallion seconded the motion. A vote was taken, and the motion passed unanimously.

V. 2016-2018 Governance Committee Work Plan

The Work Plan was reviewed with no additional comments or recommendations.

VI. Legislative Session Update

Ms. Kathy Mizereck presented the Legislative update:

The Senate confirmed all trustee appointments to the Florida Polytechnic University Board of Trustees.

PECO funds were awarded in the amount of \$2,000,000, which will be used for the Applied Research Center. Other avenues will be explored to raise additional necessary funds. Trustee Dur questioned why the University was not awarded more funding as a specialized STEM university. Ms. Mizereck replied that it is a very competitive environment and PECO funds are limited. Trustee Dur would like to meet with Legislators to present a strong case for additional funding. Construction of the ARC will not proceed until additional construction funds are raised/awarded.

One budget item vetoed by the Governor was funding to relocate the Florida Highway Patrol Academy to Polk County. If it had been approved, this could have affected Florida Poly as it relates to SunTrax.

A budget issue that will positively affect Florida Poly is approval of increases to student financial aid such as FSAG need-based scholarships; Bright Futures Academic Scholars; First Generation Matching Grants Program; Benacquisto Scholars Program expanding to out-of-state students; and the creation of Florida Farmworkers Scholarships.

Ms. Mizereck reviewed the following policy issues that directly impact Florida Poly:

Senate Bill 2502, Budget Implementing Bill: This bill extends the date by which Florida Poly must meet statutory requirements to December 31, 2017.

Senate Bill 374, Higher Education Budget Conforming Bill: This bill requires each SUS Board to develop a block tuition and fee policy and submit it to the Board of Governors by October 1, 2017 for implementation in fall 2018 with at least those incoming freshmen. Trustee Dur questioned the block tuition rate vs. credit hours tuition rate. Dr. Parker said the normal credit hour load is 12 credit hours per semester. If students increased their credit hours to 15 or 18 per semester and there was no additional tuition flow, then additional marginal costs could become substantial. This topic needs further discussion.

Ms. Mizereck stated this bill also establishes a 4-year graduation rate metric for Performance Based Funding (instead of 6-year rate) and restricts the use of state funds by Direct Support Organizations. The latter means as of July 1, 2017, Foundations may no longer use any state funds for travel and as of July 1, 2022, Foundations may no longer use any state funds for payroll. There are also changes to appointments that the Chair of the Board of Trustees can make to the institution's Foundation Board.

Also included in this bill are the increases to financial aid, which were mentioned earlier.

There is a requirement in the bill for the Board of Governors to do a study of performance funding. Mr. Maxey believes the BOG will hire an independent company to do this study and look to universities for input. There is some concern that universities may be reaching benchmarks but not receiving funding because they are in the bottom three universities out of the twelve in the State University System.

Ms. Mizereck briefly reviewed other policy issues, including what bills did and did not pass.

VII. Review of the Policy of the Annual Review of the President

Ms. Gina DeJulio stated Dr. Mason advised the next time there is a comprehensive review, a faculty, staff and student survey be administered prior to the consultant coming to campus. Discussion occurred whether the President's comprehensive review should take place every three years or five years. Trustee Featherman asked the Committee to consider the financial cost when determining how often a comprehensive review is performed, and she was in favor of doing every five years.

Ms. DeJulio stated the Board of Governors does not require a three-year comprehensive review; they only require an annual review. The renewal of the president's contract must be approved by the Board of Governors annually after a president's first five years. In the next few years, this Committee should review Dr. Mason's recommendations and consider whether to make changes to this policy.

Trustee Mark Bostick motioned to recommend approval of the current policy to the Board. Trustee Don Wilson seconded the motion. A vote was taken, and the Motion passed unanimously.

VIII. Review of the President's Goals for 2017-2018

President Avent stated his annual goals for 2017-2018 are more general and aspirational instead of detailed and task-oriented as in prior years. These annual goals still align with the current strategic plan.

Discussion occurred on whether the goal of raising \$2 million in new scholarship funding should be increased. Trustee Featherman stated the goal needs to be realistic in light of where the University is in its history. Trustee Bostick suggested not including a dollar amount at all, while Trustee Dur stated the need for a dollar amount in order to measure success. Mr. Aspegren offered to meet with Trustees individually prior to the September Board meeting to review the strategy behind Advancement's budget and fundraising goals. Trustees concurred the amount of \$2 million listed in priority #10 will be left in the goals. Trustee Dur heartily supports priorities #1 and #5.

Trustee Mark Bostick motioned to recommend approval of the President's Goals for 2017-2018 to the Board. Trustee Dick Hallion seconded the motion. A vote was taken, and the Motion passed unanimously.

IX. University President Delegation of Authority

Chair Martin reviewed a request of the Board of Governors asking that all state universities complete an analysis of their institutions' delegations of authority. This is to ensure that there is appropriate oversight of the university by the Board of Trustees.

Chair Martin directed Trustees' attention to item 3.b.i. "Board of Trustees approval for Capital Facilities Contracts." He would like to amend the wording to ensure the Board reviews the actual contract documents for capital projects greater than \$2,000,000. The amended statement would read "For construction projects greater than \$2,000,000, the Board of Trustees must approve the project prior to the execution and will authorize the President to sign the contract." President Avent expressed concern that the dollar amount is very low and this new process will slow project execution down. While Trustees said telephonic meetings could be scheduled in order to approve projects in a timely manner, Chair Martin stated that proper planning by the Procurement staff prior to regularly scheduled Board meetings should eliminate the need for extra telephonic meetings. This year, there is just one project over \$2 million. Last fiscal year, there were four such contracts.

Chair Martin requested to proceed with the amended wording. Ms. DeJulio will draft a resolution to replace the prior resolution and present this updated resolution to the Trustees.

X. Closing Remarks and Adjournment

With no further comments, the Governance Committee meeting adjourned at 9:55 a.m.