



# Governance, Audit, and Compliance Committee Meeting Minutes

Monday, November 6, 2023  
1:00 PM - 3:00 PM

Minutes Approved 02/07/24

Florida Polytechnic University  
VIRTUAL via MICORSOFT TEAMS

I. Call to Order

Committee Chair Mark Bostick called the Governance Committee meeting to order at 1:00 p.m.

II. Roll Call

Sherri Pavlik called the roll: Committee Chair Mark Bostick, Committee Vice Chair Laine Powell, Board Chair Cliff Otto, Trustee Narendra Kini, and Trustee David Williams were present (Quorum)

Other Trustees present: Trustee Ajeet Kaushik, Trustee Melia Rodriguez, Trustee Ilya Shapiro, and Trustee Sidney Theis

Staff present: President Randy Avent, David Fugett, David Blanton, Dr. Allen Bottorff, Provost Terry Parker, Mike Dieckmann, Kathy Bowman, Melaine Schmiz, Kristen Wharton, and Sherri Pavlik

III. Public Comment

There were no requests received for public comment.

IV. Approval of Minutes

**Committee Vice Chair Laine Powell made a motion to approve the Governance, Audit, and Compliance Committee meeting minutes for September 21, 2023. Board Chair Cliff Otto seconded the motion; a vote was taken, and the motion passed unanimously.**

V. 2022-2024 Governance, Audit and Compliance Committee Work Plan Review

Committee Chair Mark Bostick reviewed the Governance, Audit, and Compliance Committee Work Plan. There was no discussion on this item.

VI. Audit and Compliance

A. Audit and Compliance Update

David Blanton provided the Committee with an update on the following:

Auditor General (AG) external audits:

- AG Financial Audit FYE23
- AG State Financial Aid (2 year, FYE 22&23)
- AG Federal Single Audit

Internal Audits In-progress:

- Performance Based Funding Audit

B. Textbook Affordability Monitoring Report

Blanton provided an update on the Textbook Affordability Monitoring Report for Fall 2023 sharing that it has been completed and that the University continues to improve with compliance.

VII. Governance

A. President's Annual Evaluation FYE23

Board Chair Cliff Otto shared his discussion with the Brian Lamb, chair of the Board of Governors regarding President Avent's performance for fiscal year ending 2023. The feedback was positive as in previous years, and Chair Otto shared that they were extremely satisfied with President Avent in every aspect of the development of the University.

Committee Chair Bostick opened the floor for discussion on the *President's Annual Review, July 2022-June 2023, Composite of the Trustees' Evaluations*.

For the benefit of new trustees, Chair Otto reviewed the history of the evaluation stating that the instrument has evolved over the last several years. It is simple, straight-forward, and provides a vehicle for trustees to express comments on the achievement of goals and overall performance.

There were no further comments on the evaluation.

Trustee Narendra Kini inquired about the stability of the senior administration with President Avent's July 2024 retirement and if they would require incentives to stay. Chair Otto responded that a discussion of specific plans or at-risk candidates has not yet taken place. The Board's experience is that there is a high degree of satisfaction amongst immediate direct support staff in regard to senior leadership.

**Trustee David Williams made a motion to recommend approval of the document "President's Annual Review, July 2022-2023, Composite of the Trustees' Evaluations" reflecting the President's annual evaluation for 2022-2023 to the Board of Trustees. Committee Vice Chair Laine Powell seconded the motion; a vote was taken, and the motion passed unanimously.**

B. President's Compensation

At this time, President Avent excused himself from the room while the Committee discussed his compensation adjustments. Committee Chair Bostick stated that under the employment agreement, the President is entitled to a minimum of 3.5% increase to his base salary each year and entitled to a bonus/performance compensation if his overall performance is "Achieved" or higher.

Committee Chair Bostick opened the floor for discussion on the base salary and invited David Fugett, Vice President and General Counsel, to expand on the process of deciding the percentage. Fugett explained that the president's salary increases, as described in the Employment Agreement, would be generally applicable to what the vice presidents of the University received. Dr. Allen Bottorff, Vice President and CFO, shared with the Committee the average percentage of the vice presidents' increases for FYE23 was 5.98%.

Trustee Ilya Shapiro inquired if the compensation discussion was related to the incoming

president's pay. Fugett clarified that pursuant to the Board of Governors regulation, a compensation study for the new president will be conducted. Chair Otto emphasized that other increases in the State University System (SUS) don't impact the Board's decision. He went on to state that President Avent prefers base pay increases in line with executive averages. The only exception was when the average was below 3.5%, in which case he had to accept it as it is in the Employment Agreement. Chair Otto is confident that a 5.98% base pay raise would be acceptable to President Avent and feasible for the University.

Bottorff mentioned that the University is currently conducting a compensation study with White & Gale for the entire University. The study is in its early stages and could potentially align with the Presidential Search Committee if they opt to proceed with this firm.

The discussion on performance compensation/bonus continued and Committee Chair Bostick reiterated the president's composite rating: 4 out of 9 rated as "Achieved," 4 out of 9 as "Exceeded," and 1 as "Far Exceeded." Consequently, the Board has the discretion to raise the bonus beyond 20%, but not to exceed 30% of the current annual base salary.

Chair Otto recommended a 30% bonus. The recommendation was based on his discussion with Chair Lamb along with the positive growth of the University, including the construction of the third residence hall and its projected statistics, and the improved process of recruiting students.

Trustee Kini endorsed Chair Otto's recommendation, acknowledging President Avent's success in expectations and dealing with complex political environments.

Trustee David Williams concurred with a 30% bonus.

**Trustee David Williams made a motion to recommend approval to the Board:**

- 1. Award the President a 5.98% increase to his base salary; and**
- 2. Award the President a performance compensation/bonus in the amount of 30% of his current annual base salary.**

**Trustee Narendra Kini seconded the motion; a vote was taken, and the motion passed unanimously.**

#### VIII. Closing Remarks and Adjournment

Committee Chair Mark Bostick thanked the Committee and with no further business to discuss, adjourned the meeting at 1:30 p.m.

Respectfully submitted:  
Sherri Pavlik  
Executive Assistant  
Office of General Counsel