AGENDA

FLORIDA GULF COAST UNIVERSITY BOARD OF TRUSTEES

Tuesday, January 14, 2020 8:30 a.m. to (estimated) 1:30 p.m.

COHEN CENTER BALLROOM, ROOM #203
FLORIDA GULF COAST UNIVERSITY

Indicated times within the agenda are approximate and are subject to change. Agenda items may be taken out of order at the call of the Chair and with the concurrence of the Board.

8:30 a.m.  Call to Order, Roll Call, and Opening Remarks – Chair Blake Gable

8:35 a.m.  Welcome to New Trustees Edward Morton and Jaye Semrod – Chair Blake Gable

8:40 a.m.  Consent Agenda (Includes Public Comment) – Chair Blake Gable
- Minutes of September 10, 2019 Meeting (TAB #1)
- Minutes of October 31, 2019 Conference Call Meeting (TAB #2)

8:45 a.m.  Presentation: Student Success – Enrollment Management Initiative – Vice President for Student Success and Enrollment Management Mitchell Cordova (TAB #3)

9:05 a.m.  Presentation: The Water School at Florida Gulf Coast University – Executive Director, and Professor of Marine Science Greg Tolley (TAB #4)
9:25 a.m. **Presentation:**

*Campus Master Plan Update for 2020-2030* – Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera, and Leo Alvarez and Jay Demma of Perkins & Will (TAB #5)

9:45 a.m. **Standing Report from United Faculty of Florida (UFF)/FGCU Chapter** – Co-Presidents Scott Michael and Patrick Niner

9:50 a.m. **Standing Report from FGCU Foundation Board of Directors** – FGCU Board of Trustees Liaison to FGCU Foundation Leo Montgomery

9:55 a.m. **Standing Report from FGCU Financing Corporation Board of Directors** – FGCU Board of Trustees Liaison to FGCU Financing Corporation Richard Eide, Jr.

10 a.m. **Chair’s Report** – Chair Blake Gable

10:05 a.m. **President’s Report** – President Mike Martin

10:15 a.m. **Academic/Student/Faculty Affairs Committee (Includes Public Comment)** – BOT Chair Blake Gable for Former Committee Chair Christian Spilker

**Information:**

- **Online Graduate Programs** – Senior Vice President for Strategy and Program Innovation Mike Rollo and Vice President for Administrative Services and Finance Steve Magiera (TAB #6)

**Action:**

- **FGCU Regulation 4.002 Student Code of Conduct and Student Conduct Review Process** – Vice President for Student Success and Enrollment Management Mitchell Cordova (TAB #7)

- **FGCU Regulation 3.005 Graduate Admissions** – Vice President for Student Success and Enrollment Management Mitchell Cordova (TAB #8)
• **FGCU Regulation 2.001 Undergraduate Admissions**  
  – Vice President for Student Success and Enrollment Management Mitchell Cordova (TAB #9)

• **Ratification of 2018-2019 Collective Bargaining Re-Opener Agreement with United Faculty of Florida/FGCU Chapter**  
  – Provost and Vice President for Academic Affairs James Llorens (TAB #10)

• **Industrial Hemp Pilot Projects**  
  – Provost and Vice President for Academic Affairs James Llorens (TAB #11)

• **FGCU Regulation 7.003 Special Fees (Library Fines)**  
  – Provost and Vice President for Academic Affairs James Llorens (TAB #12)

11 a.m.  
Break

11:15 a.m.  
Finance, Facilities and Administration Committee  
(Includes Public Comment)  
– Committee Chair Ken Smith

**Information:**

• **Finance/Budget Update**  
  – Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera (TAB #13)

**Action:**

• **FGCU Regulation (# TBD) Procurement**  
  – Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera (TAB #14)

• **FGCU Regulation Repeal: FGCU-PR6.014 Purchasing Authority of the University**  
  – Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera (TAB #15)

• **FGCU Regulation Repeal: FGCU-PR6.015 Competitive Solicitations Requirement**  
  – Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera (TAB #16)

• **FGCU Regulation Repeal: FGCU-PR6.016 Purchase of Commodities or Contractual Services**  
  – Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera (TAB #17)
● **FGCU Regulation Repeal: FGCU-PR6.018 Contracts** – Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera (TAB #18)

● **FGCU Regulation Repeal: FGCU-PR6.019 Standard of Conduct (Procurement)** – Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera (TAB #19)

● **FGCU Regulation 5.018 Sick Leave Pool** – Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera (TAB #20)

● **FGCU Regulation 5.010 Nepotism** – Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera (TAB #21)

● **FGCU Regulation 6.008 Protests** – Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera (TAB #22)

● **Fixed Capital Outlay Budget Quarterly Update** – Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera (TAB #23)

● **FGCU Financing Corporation Bylaws** – Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera (TAB #24)

11:50 a.m. to 12:20 p.m.  
Lunch

12:20 p.m.  
Audit and Compliance Committee (Includes Public Comment) – Committee Chair Joseph Fogg III

Information:

● **Investigation – Bishop (Purchasing Card)** – Director of Internal Audit William Foster (TAB #25)

● **FGCU Policy 1.004 Fraudulent or Other Dishonest Acts** – Director of Internal Audit William Foster (TAB #26)

Committee Action:

● **Minutes of December 13, 2019 Meeting** (TAB #27)
Board Action:

- **Florida Gulf Coast University Financing Corporation**
  Independent Auditor’s Report Fiscal Year Ended
  June 30, 2019 – Director of Internal Audit William Foster
  (TAB #28)

- **Florida Gulf Coast University Foundation, Inc.**
  Independent Auditor’s Report Fiscal Year Ended
  June 30, 2019 – Director of Internal Audit William Foster
  (TAB #29)

- **FGCU Regulation (# TBD) Complaints of Waste, Fraud, or Financial Mismanagement** – Director of Internal Audit William Foster (TAB #30)

- **FGCU Regulation 1.006 Whistle-Blower Reporting and Protection** – Director of Internal Audit William Foster (TAB #31)

- **Audit and Compliance Committee Charter** – Audit and Compliance Committee Chair Joseph Fogg III (TAB #32)

- **Office of Internal Audit Charter** – Audit and Compliance Committee Chair Joseph Fogg III (TAB #33)

- **Compliance Office Charter** – Audit and Compliance Committee Chair Joseph Fogg III (TAB #34)

1 p.m.

**Old Business** – *Chair Blake Gable*

1:05 p.m.

**New Business** – *Chair Blake Gable*

Action (Includes Public Comment):

- **Election of 2020-2022 Chair and Vice Chair of Florida Gulf Coast University Board of Trustees (Includes Public Comment)** – Officers Nominating Committee Member Leo Montgomery (TAB #35)

- **Suspension of Florida Gulf Coast University Board of Trustees Bylaws Provision on Term of Office for Vice Chair** – Chair Blake Gable (TAB #36)

Information:

- **Board of Governors 2019 Trustee Summit Discussion**
  – *Chair Blake Gable*

1:30 p.m.

**Closing Remarks, and Adjournment** – *Chair Blake Gable*

(END)
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January 14, 2020

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Florida Gulf Coast University Board of Trustees
January 14, 2020

SUBJECT: Minutes of September 10, 2019 Meeting

PROPOSED BOARD ACTION

Approve minutes

BACKGROUND INFORMATION

The Florida Gulf Coast University Board of Trustees met on September 10, 2019. Minutes of the meeting were kept as statutorily required.

Supporting Documentation Included: Minutes of September 10, 2019 Meeting

Prepared by: Transcription Experts and Assistant Director of Board Operations
Tiffany Jackson

Legal Review: N/A

Submitted by: Vice President and Chief of Staff Susan Evans
FLORIDA GULF COAST UNIVERSITY BOARD OF TRUSTEES

Tuesday, September 10, 2019

COHEN CENTER BALLROOM, ROOM #203
Florida Gulf Coast University

Meeting Minutes

Members:
Present: Trustee Blake Gable – Chair; Trustee Robbie Roepstorff – Vice Chair; Trustee Josh Ballin; Trustee Ashley Coone; Trustee Darleen Cors; Trustee Richard Eide, Jr.; Trustee Joseph Fogg III; Trustee Jamie MacDonald; Trustee Leo Montgomery; Trustee Kevin Price; Trustee Kenneth Smith; Trustee Stephen Smith; and Trustee Christian Spilker.

Others:
Staff Advisory Council (SAC) President Missy Berkley.

Staff: President Mike Martin; Provost and Vice President for Academic Affairs James Llorens; Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera; Vice President and Chief of Staff Susan Evans; Vice President and General Counsel Vee Leonard; Vice President for Student Success & Enrollment Management Mitchell Cordova; Vice President for University Advancement, and Executive Director of FGCU Foundation Kitty Green; Senior Vice President for Strategy and Program Innovation Mike Rollo; Director of Internal Audit Bill Foster; Director of Equity, Ethics and Compliance, and Title IX Coordinator Precious Gunter; Director of Operations Tiffany Reynolds; Assistant Director of Board Operations Tiffany Jackson; Project Manager Melissa Pind; and Executive Assistant to the Vice President and Chief of Staff Bruna Ugolotti.

Item 1: Call to Order, Roll Call, and Opening Remarks
Chair Blake Gable called for a moment of silence for those impacted by Hurricane Dorian in the Bahamas. He called the meeting to order at 9:46 a.m., and asked Vice President and Chief of Staff Susan Evans to call the roll. Roll call was taken with all members present, thus meeting quorum requirements.

He welcomed new Trustee Jamie MacDonald who was elected as the Faculty Senate President effective July 1, 2019. Trustee MacDonald stated he was excited to be present representing FGCU faculty and to serve on the FGCU Board of Trustees.

Item 2: Consent Agenda (See Tabs #1-4)
Chair Gable stated there were four items on the Consent Agenda: (1) Minutes of June 11, 2019 Meeting, (2) Textbook and Instructional Materials Affordability Annual Report,
(3) Classification of Instruction Programs (CIP) Change from 52.0906 (Resort Management) to 52.0901 (Hospitality Administration/Management, General), and (4) Resolution of Appreciation for Outgoing Trustee Michael McDonald.

He called for a motion.

Trustee Darleen Cors made a motion to approve the Consent Agenda. Trustee Joseph Fogg seconded the motion.

Chair Gable asked if there was any public comment, or Board discussion. Public comment included Mr. Morgan Paine, Fort Myers, FL.

President Martin responded to the public comment regarding the Classification of Instruction Programs (CIP) Change from 52.0906 (Resort Management) to 52.0901 (Hospitality Administration/Management, General). He reported this change was considered very thoughtfully and thoroughly. He stated the administration solicited input on needed changes from one of the leading experts in the field, Dr. Michael Johnson, former Dean of the Cornell School of Hotel Administration and current President of John Carroll University. He stated the direction of FGCU's program was evaluated with respect to other programs in the state. He reported that enrollment in the program had dropped 41 percent in the last three and a half years, which alerted administration to consider the need for change. He noted the administration solicited advice from the program’s external advisory committee regarding program restructuring. He indicated this change was not considered frivolously and was done within the confines of the Collective Bargaining Agreement (CBA). He stated he believed this was appropriate as a Consent Agenda item. He stated changing the CIP code put FGCU in alignment with other programs in the State of Florida, and seeking Association to Advance Collegiate Schools of Business (AACSB) accreditation would put FGCU’s program in the league with the better programs nationally.

Trustee MacDonald reported faculty members in Resort & Hospitality Management (RHM) were concerned the program would not be going through the normal curriculum revision after the CIP code was changed. He asked if this was the case. Provost and Vice President for Academic Affairs James Llorens explained the CIP code change was the administrative action which came before the curriculum change, and after the administrative action was approved, the revised curriculum would be developed and presented to the University Curriculum Committee for approval.

Trustee MacDonald noted that cancellation of three faculty contracts had been rescinded and asked if there was a possibility more contract cancellations would be rescinded. Provost Llorens responded it was a possibility. He said they were continuing to look at the remaining faculty and how they would fit into the new curriculum. He said that a decision also would be made based on teaching out concentrations that were eliminated, and faculty would be identified to teach out those courses for students currently enrolled in the concentrations.
Trustee Stephen Smith asked for clarification in response to the public comment made by Mr. Paine regarding the change of all faculty contracts from three-year to one-year. President Martin responded that standard contracting would continue; however, when a substantive change was made in a program the relationship with the faculty in that particular unit could change. He stated even when a substantive change was not made to a program, when enrollment dropped clearly the program was not generating the revenue necessary to justify the number of faculty. He explained, if nothing else, if enrollment dropped 40 percent, faculty would drop 40 percent. He stated administration was repositioning this program, consistent with current policy, in an effort to ensure the program was the robust program it needed to be to serve the region. Trustee S. Smith reiterated that any comments regarding the contract change applied only to the RHM faculty. President Martin confirmed this statement.

Trustee Josh Ballin stated he received student feedback regarding this change. He indicated he supported the idea that programs needed to evolve to meet the needs of the growing industries. He noted the RHM program was why he chose to attend FGCU and was one of the reasons many of the students he was connected with chose to attend FGCU. He stated while most students understood programs changed over time, many students were disappointed there were not many opportunities for the students to provide feedback regarding changes they would want to see in the program. He stated many of the students in this program were upset. He explained because of the nature of this program the students tended to be rather emotional as hospitality was based on relationship building. He stated he understood changes needed to be made, but it was important for the Board to consider the needs of the students before voting to officially change something in the program.

Trustee Ken Smith stated he appreciated Trustee Ballin’s comments; however, he said it was important to understand this need for change came from the industry. He noted it was important to consider students’ wants and needs, but it was more important for students to be highly hirable post-graduation. He noted the program itself was deemed to have problems in this regard; the hospitality industry had asked for changes to the program, and he believed these changes, made with the assistance of the expert from Cornell, a flagship school, would create more hirable graduates. He stated President Martin and Provost Llorens had vast amounts of experience and consistently worked for the benefit of the students. He stated the changes in this curriculum would better equip students to compete against the Cornell and Michigan type of schools.

Trustee Ballin stated the students understood that administration was working for their benefit and were supportive of revamping the curriculum and the program to help them be more competitive. He noted the students were upset not because the program was changed, but because information was not initially shared by the University regarding these changes. He said although a letter had been sent out, students are still confused about the future of the program.

President Martin stated CIP stood for Classification of Instruction Programs. He stated the classification was designed so students and parents knew what type of job could be
obtained with each degree. He stated this change in the CIP raised the bar for the
students and increased career options. He noted FGCU was changing the CIP to
match every other hospitality program in the State of Florida. He stated by making
these changes, FGCU was promising a better starting point for students. He noted all
great universities pursued excellence at every turn, and this was what FGCU was doing.
He explained the conversation had been going on for a long time – emails were sent to
the faculty, meetings with the faculty took place, and communications were sent to the
campus as a whole. He stated that anyone who felt the information was not
communicated had missed the fact that conversations had been occurring for a long
time. President Martin stated that the administration had not tried to be opaque, but
rather, resolute. He also pointed out that the expert from Cornell did, in fact, meet with
students while at FGCU, and quoted them in his report.

Trustee Ashley Coone stated she did not understand why the faculty was upset and
asked what the negative connotations were for the faculty. Provost Llorens responded
the students he had been in communication with understood the positive benefits of
these changes and were supportive. He stated he felt the faculty feared an unknown
career future in this program. He stated the curriculum would be more rigorous, and
faculty would be required to adhere to the new curriculum and meet the qualifications
for instruction. He said the downside from the student perspective was uncertainty
about the changes occurring, but that students currently enrolled in the program and
concentration were reassured that faculty would teach out the program under the
existing curriculum. He said that the changes would not occur overnight, and that it
would be a transition over the next couple of years before full implementation of the new
curriculum and degree program. Provost Llorens reported that the feedback received
from the industry, as well as from students, was that the changes to the program were
positive for FGCU. He said that the faculty were still undergoing a review process to
determine if they would be capable of meeting the new AACSB accrediting standards.

Trustee Richard Eide asked if the typical standard faculty contract length was three
years. Provost Llorens responded in the affirmative. Trustee Eide asked if there was
still an annual performance review within a three-year contract. Provost Llorens
responded in the affirmative. Trustee Eide asked if knowledge that a program was not
performing well was communicated to faculty during annual performance reviews.
Provost Llorens responded annual performance reviews were very individual to the
instructor and not a reflection of the overall program. He stated the evaluation of the
program itself was done on a departmental level. He said program evaluation looked at
the leadership of the program, the curriculum, and instruction. Trustee Eide said that he
understands, however, there seemed to be a deficit between what was occurring on the
ground and what the faculty understood was the outcome. Trustee Eide suggested
program and department goals be communicated to faculty members during annual
performance reviews as to prevent them from being blindsided when the University
takes action.

Trustee Coone asked if Mr. Paine’s concerns about these contract changes affecting all
FGCU faculty members have been proven false. President Martin responded in the
affirmative. Provost Llorens stated the contact change only involved RHM, and that the administration notified the affected faculty members with letters of non-reappointment. President Martin noted there was much communication with faculty regarding the drop in program enrollment. He stated it was fiscally irresponsible to fund a program at 100 percent when it was operating at 60 percent. He stated the goals of these curriculum and CIP changes were to rebuild the RHM program and focus it in such a way to give students the best possible career outcome.

Chair Gable thanked those who commented. He stated it was clear a change needed to be made and change was never easy.

There was no additional public comment, or further Board discussion. The vote was 13-0 in favor of the motion to approve the Consent Agenda.

Item 3: Presentation of Resolution of Appreciation for Outgoing Trustee Michael McDonald

President Martin and Chair Gable presented outgoing Trustee Michael McDonald the Board’s Resolution of Appreciation, which was read into the record by Vice President and Chief of Staff Susan Evans:

"Whereas, in 2001 there was created a new system of K-20 seamless education for the State of Florida, which included installation of the Florida Gulf Coast University Board of Trustees; and
Whereas, the President of each state university Faculty Senate statutorily is appointed as a trustee for his or her respective university; and
Whereas, Dr. Michael McDonald was elected by his peers as President of the Florida Gulf Coast University Faculty Senate in 2017 and 2018, thereby causing him to be appointed for two terms to the Florida Gulf Coast University Board of Trustees; and
Whereas, Dr. Michael McDonald has served with great distinction on the Florida Gulf Coast University Board of Trustees as a representative of the faculty, with support for the University’s academic programs, and mission of teaching, research and service;
Now, Therefore Be It Resolved that the Florida Gulf Coast University Board of Trustees wishes to express appreciation for Trustee Michael McDonald’s outstanding and longstanding service, and wishes to recognize his commitment to Florida Gulf Coast University’s students of today and for generations to come."

Dr. Michael McDonald thanked President Martin and Chair Gable for their leadership and mentoring. He thanked his Board colleagues for their collegiality. He stated he had been a FGCU faculty member for 22 years, and thought that he knew a lot about the University. He said his time served on the FGCU Board of Trustees had been quite educational. He stated he came away from the Board realizing that the members were idealists who held the University to standards, to ideals of good governance, and ideals of responsibility for the resources in which the University had been entrusted. He said
the Board members were also “idea-ists,” in that they believed in the idea of FGCU. Dr. McDonald said he was inspired and was pleased to have served on the Board for the past two years.

**Item 4: Student Success – Enrollment Management Initiative**

Chair Gable indicated that as was customary for the Board meetings, he asked Vice President for Student Success and Enrollment Management Mitch Cordova to provide an update regarding the Student Success – Enrollment Management Initiative.

Dr. Cordova stated that he wanted to provide the Board with fall enrollment data, and an update on student enrollment and credit hour data, as well as other key metrics and performance indicators. He displayed a Freshman Profile chart which illustrated comparison data between the fall of 2018 and fall of 2019 terms including: first-time-in-college (FTIC) enrollment numbers (decreased about four percent), average GPA (weighted) (increased 1.3 percent), average ACT scores (unchanged), and average SAT scores (unchanged). Trustee Christian Spilker asked if the GPA was based on a 4.0 scale. Dr. Cordova responded that it was effectively a weighted GPA; students had the opportunity to score above a 4.0 based on honors courses and Advanced Placement (AP) credits.

He indicated that a survey was administered to learn more about the freshman profile. He noted 84 percent of 2019 freshman FTIC students had completed the survey. He said this was an increase from last year, which was 50 percent. He explained students take the survey prior to Eagle View Orientation (EVO). He stated 72 percent of the FTIC students surveyed reported FGCU was their first choice college (this was an increased percentage from 68 percent the previous year) and five percent reported a plan to transfer. He noted 96 percent of students surveyed planned to graduate in four years or less and 37 percent of incoming freshman were identified as first generation college students. He stated 59 percent planned to work while attending school (up slightly from last year’s 54 percent) and 31 percent cited a combined family income below $50,000 dollars (decreased percentage). Trustee K. Smith asked if the percentage of students who planned to work (59 percent) was a typical percentage. Dr. Cordova responded he was unsure, but he felt this percentage was consistent with other institutions. He stated 85 percent of FTIC students surveyed felt confident they would be successful in college (increased from 83 percent last year). He noted students felt least confident about time management ability, and that FGCU provided resources through the Center for Academic Achievement (CAA) and other mentoring programs for students in this regard. He stated of the FTIC students surveyed, 46 percent cited mental health as a significant concern (decreased four percent from last year). He stated there was an increase in the percentage of students who were stressed financially. He stated 68 percent felt a strong sense of community was important for their success at the University. He said this was down about two percent from the previous year, but was not troubled by the decrease. Dr. Cordova stated it was important for incoming freshman students to realize that FGCU provided a strong sense
of community, which would allow them to connect to resources and peers, which would hopefully over time help to increase retention.

Dr. Cordova stated the next section of his presentation on fall 2018-2019 enrollment data would provide a perspective of total enrollment and student credit hours, distributed by levels and type. He explained this data was preliminary. He noted fall 2019 lower level student (freshman/sophomore) enrollment was up 1.9 percent from the previous year due to better student retention. He noted fall 2019 upper level student (junior/senior) enrollment was down 2.7 percent due to graduating students. He stated graduate enrollment was up 5.8 percent and non-degree seeking student enrollment was up 2.76 percent. He stated total enrollment had decreased by a small 0.15 percent. He reported a 0.67 percent decrease in undergraduate student credit hours, and a 10 percent increase in graduate student credit hours. He noted another metric that the University was looking at closely was the Hispanic student population. He said FGCU was an emerging Hispanic serving institution and there was a one percent increase from last year in the Hispanic population.

Dr. Cordova noted summer enrollment was a critical factor in helping students to persist through their degrees and to graduate more quickly. He displayed and reviewed data spanning from summer 2017 to summer 2019. He reported there was an 18.7 percent growth in three years in number of summer enrollment seats occupied and a 28.3 percent increase in number of sections. He noted there was a 7.7 percent increase in total head count and lower level student summer credit hours went up 15.7 percent. He stated there was a 22 percent increase in upper level student credit hours. He noted data indicated, while the total head count had only increased by 7.7 percent, the number of sections, number of seats occupied, and the student credit hours generated were increasing a lot more. He said what his staff was seeing was relatively the same amount of students enrolled were taking more credit hours in the summer.

Dr. Cordova reviewed the Academic Progress Rate (APR) data; APR referred to the percentage of freshmen retained from freshman year to sophomore year with a GPA of 2.0 or higher. He stated APR retention showed a 1.8 percent increase from last year to this year. He stated overall retention showed an increase of 3 percent. He noted active interventions continued in an effort to capture students from the fall 2018 cohort to enroll them in the fall “B” term. He stated FGCU had an APR retention goal of 75 percent (currently 74.2 percent) and an overall retention rate goal of 80 percent (currently 79.9 percent). Trustee Eide asked what the best retention rate was for the State University System (SUS). Dr. Cordova responded around 90+ percent for University of Florida (UF) and Florida State University (FSU).

Dr. Cordova reported the 2013 cohort four-year graduation rate was 28.8 percent and the 2014 cohort four-year graduation rate was 34.5 percent. He said there was potential to bring that number close to 35 percent this year. He said that was about a 6.2 percent increase from last year. He said collectively, when looking at the four-year graduation rate from the last two years, there was the potential to exceed 12 percentage points. He said that was a testament to the efforts of a lot of remarkable people on
campus trying to help students graduate as quickly as possible. He displayed a six-year timeline of cohorts from 2010 to 2015 which illustrated the jump in four-year graduation rates following the launch of the Student Success Initiative in March 2018. He noted with respect to the five-year graduation rate, the 2013 cohort had a 43.6 percent graduation rate, and the 2014 cohort was at 48.5 percent (about a 4.9 percent increase from last year). He said it was exciting that the five-year graduation rate was currently higher than the six-year graduation rate last year. He stated the six-year graduation rate for the 2012 cohort was 47 percent and now the five-year graduate rate was 48.5 percent. Dr. Cordova said that was a strong, outstanding number.

He stated FGCU encouraged students to graduate with the least amount of hours toward the degree. He displayed a chart which illustrated the average number of hours to bachelor’s degree completion for FTIC students. He noted FGCU was ranked number one in this category at 136.6 hours. He noted that the State University System (SUS) average was 143.8 hours to degree completion. Trustee S. Smith asked why fewer hours to bachelor’s degree completion was a good thing. Dr. Cordova explained bachelor’s degree programs were typically 120 hours, and FGCU encouraged students to graduate in four years and as close to 120 hours as possible.

Dr. Cordova displayed a chart which illustrated the average number of hours to bachelor’s degree completion for transfer students (students who transferred to FGCU with an Associate of Arts degree from a Florida College System school). He stated FGCU had an average of 147.3 hours and was ranked fourth in the SUS. He noted FGCU was working to improve this number. He said he believed the 2+2 pathways that FGCU was working on with State College of Florida and the current “Destination FGCU” program with Florida SouthWestern State College would help over time to improve this key performance indicator.

He stated, in summary, FGCU would continue to improve upon admitting students who viewed FGCU as a first choice school. He noted summer school was the key to increasing persistence, increasing graduation rates, and decreasing cost to the student. He stated FGCU would continue to create the best environment for student success.

Trustee Fogg asked about the University of Florida (UF) FTIC student hours to bachelor's degree completion rate of 155 hours, and why it was so high. He noted UF was Florida’s flagship school, and he wondered if the 155 hour completion rate was good or bad. Dr. Cordova indicated he could not speak for the University of Florida. He said the bottom line was that FGCU wanted students to graduate as quickly as possible. Senior Vice President for Strategy and Program Innovation Mike Rollo stated he worked at UF for many years and noted many students at UF entered as freshmen with 30-36 credit hours from AP courses already accrued, which could contribute to the increased hours to degree completion rate.

Trustee Fogg asked how the data found on page 1 of Dr. Cordova’s presentation slides regarding the Freshman Profile measured up to the goals that Dr. Cordova would like to see for incoming freshmen. Dr. Cordova stated FGCU always strove to improve the
quality of incoming students (as indicated by GPA or test scores); however, more
important to FGCU was increasing the quantity of students who chose FGCU as a first
choice school. Trustee Fogg responded that this was the "hand" that FGCU was dealt,
and that FGCU's job was to do better with the "hand." President Martin stated he felt a
regional school such as FGCU was a ladder, not a filter. He said FGCU needed to give
students who were motivated and prepared a chance. He stated he felt FGCU was a
value-added institution rather than a selective institution. He indicated he felt FGCU
was doing an excellent job of taking students who needed a jump start and putting them
on the path to success. He stated he believed FGCU should take great pride in this.
He said the K-12 school system in the region may not be as strong as they would like it
to be, and that many of the FGCU students were first generation and come with
financial challenges. President Martin stated if FGCU could take those students
through a successful college experience and into a career, then it has made a profound
social contribution.

Trustee K. Smith commended Vice President Cordova, Provost Llorens, President
Martin, the faculty, and the students for the Student Success & Enrollment Management
Initiative which he felt was highly successful, as well as the summer school program
improvements. He said it was amazing to look at what had been done, and that the
data spoke for itself.

Trustee Robbie Roepstorff agreed with Trustee K. Smith. She asked if FGCU acquired
a Benacquisto Scholarship recipient this year. Dr. Cordova responded in the negative.
Trustee Roepstorff said that was the goal - that Senator Benacquisto had done so much
for FGCU and that the University needed to make this happen. Trustee Roepstorff
noted that she valued the FGCU Board of Trustees Information System (BOTIS)
quarterly report and that upon review she did not see any new freshmen from Bishop
Verot, Canterbury or the Community School in Naples. She asked if there was a reason
students from these schools were not choosing FGCU. Dr. Cordova responded these
students were competitive and had many options, and were going to the finest public
and private institutions. He stated as FGCU's quality continued to improve, and the
message continued to circulate that FGCU students were achieving high success rates
of employment within six months of graduation in high earning jobs, the more
competitive students would choose FGCU. Trustee Roepstorff encouraged Dr. Cordova
to focus recruiting efforts toward these schools.

Trustee Coone asked if the Student Success & Enrollment Management Initiative was
launched in 2018 and if the APR data provided was a direct result of implementation of
the initiative. Dr. Cordova responded in the affirmative. He explained that a lot of what
had been put in place last year was the Eagles in 22 program, which was aimed at
tracking and retaining the fall 2018 freshmen who were now rising sophomores. He
stated the First Year Experience and Retention Programs department developed a
completely new program to support creating an engaged, connected student
environment for freshmen. He said the South Village Residence Hall is the location that
was built to support this effort. Trustee Coone asked what offices partnered with Dr.
Cordova to implement the Student Success program. Dr. Cordova responded FGCU
had a Student Success division with three units: Academic Engagement, Student Engagement, and Enrollment Management. He stated there were numerous departments within those three units with approximately 350 full-time employees and 150 part-time employees. He stated that Student Success & Enrollment Management also partnered with Academic Affairs to continuously support students and help them graduate quicker. He said they also worked with the Advancement Office and the Office of Administrative Services and Finance, and work together across the institution to make this happen.

Item 5: Standing Report from United Faculty of Florida (UFF)/FGCU Chapter

Chair Gable stated the standing report from United Faculty of Florida (UFF)/FGCU Chapter report was being made in conjunction with the Collective Bargaining Agreement provision which provided UFF an opportunity to speak to FGCU Board of Trustees’ agenda items which affected the wages, hours, and other terms and conditions of employment of employees. “Employees” was defined as a member of the bargaining unit. He welcomed new Co-Presidents Dr. Scott Michael and Mr. Patrick Niner.

Dr. Michael reported he was a professor in the department of biology and taught biology and honors, and ran a research lab dealing with viruses. He said he brought in about $10 million in external research support and had been at FGCU for 15 years. He said he came from Tulane University in New Orleans. He noted he was present as an advocate for student excellence, which was the heart of everything that FGCU was trying to accomplish.

Mr. Patrick Niner introduced himself as an instructor in the department of language and literature. He said he was beginning his eighth year as an instructor. He stated in the time he had been at FGCU, he served in several roles in shared governance, most notably as a former officer of the Faculty Senate, as part of the Collective Bargaining Team, and as Collective Bargaining Chair. He said he was a son of the great state of West Virginia, which meant his ancestors shed their blood for the right to collectively bargain. He said that it was in their honor that he served as co-president of the Union.

Dr. Michael stated he was co-president of the FGCU chapter of UFF which represented all faculty members in the University. He reported 56 percent of the faculty members at FGCU were dues-paying members, which was the highest in the history of the University. He said they would like to get to 60 percent and above by the end of the academic year. He stated the intention was to work with management for stronger terms and conditions and stronger faculty; UFF/FGCU Chapter believed stronger faculty led to stronger student success which led to a better University.

Mr. Niner reported contract negotiations were almost complete (including salary and benefits). He reported the UFF/FGCU Chapter bargaining team was led by Dr. Scott Michael and the management bargaining team was led by Associate Provost and Associate Vice President for Academic Affairs Tony Barringer. He stated the UFF/FGCU Chapter was pleased with the collaborative spirit and commitment to
problem solving both bargaining teams displayed. He stated he believed contract
changes would be ratified and ready for the Board’s review soon.

Trustee MacDonald asked if the UFF/FGCU Chapter had anything to add about Mr.
Paine’s public comment regarding faculty contracts for Resort and Hospitality
Management. Mr. Niner stated the UFF/FGCU Chapter had no desire to hold the
University back from progress and betterment, and if this meant changing a program,
then it had no objections. He noted the three-year contract was sacred to FGCU
faculty, as the University did not offer tenure. He stated that cutting a three-year
contract short was unprecedented. He said that the UFF/FGCU Chapter wished to
ensure this was being done correctly through a collaborative process, and that both
labor and management had the same interpretation of contract language. He stated he
could not say these goals had been met completely, but the UFF/FGCU Chapter and
management were working toward reaching them. Dr. Michael stated the UFF/FGCU
Chapter understood these contract changes were being compartmentalized to the
Resort and Hospitality Management program, but was interested in the precedent
setting nature of these changes and how they might be interpreted by other faculty
across the entire University.

Item 6: Standing Report from FGCU Foundation Board of Directors

FGCU Board of Trustees Liaison to FGCU Foundation Board of Directors Leo
Montgomery reported the FGCU Foundation Executive Committee met last week and
the first order of business was to welcome Ms. Katherine “Kitty” Green as the new Vice
President for Advancement and Executive Director of the Foundation. He welcomed
Ms. Green to the team. He stated the meeting consisted of reports from each of the
Committees, and asked Ms. Green to give this report today.

Ms. Green reported the Foundation ended the fiscal year with $135 million in total
assets, and liabilities of just over $650,000. She reported net investment earnings for
the year were $66.5 million; the investment pool’s market value at the end of the year
was $99.7 million; and the portfolio returned 7 percent against the benchmark of 7.4
percent. She stated the Foundation’s operating budget finished the year with revenues
exceeding expenses by $425,000. She stated the auditors were onsite last month, and
to date no unusual issues have arisen; the audit would be approved by the Foundation
Committee at the October meeting, and the FGCU Board of Trustees would see the
audit in January.

She stated as a part of the Finance Committee’s work to position the Foundation for the
future the Committee was reviewing the overhead and spending rates for the
endowments in comparison to the other state universities in Florida. She noted the data
showed the FGCU overhead allocation of 1.5 percent on invested funds was among the
lowest in the state, and the four percent spend rate for the University was comparable to
others with only one being higher. She stated the Finance Committee would continue
its efforts to determine how to achieve the combined 5.5 percent net rate in the
uncertain months and years ahead. She reported the Foundation’s investment advisor
was educating the Foundation about potential alternative investments which could increase yield with acceptable volatility, including real estate, but no allocation changes were recommended at this time. She reported the Foundation raised $24 million last year, just short of the $25 million goal. She noted year to date the Foundation was slightly ahead of last year’s numbers and the Foundation again had a goal of $25 million for next year. She stated the primary goal of fund raising this year would be to match the $4 million challenge grant for the Entrepreneurship Building, as well as funding for The Water School, continued Student Success initiatives and scholarships, and Phase II of the Alico Arena project. She reported the Foundation was in the midst of a faculty staff annual campaign, and to date 400 members of faculty and staff contributed to the campaign. She stated the Advancement team spearheaded FGCU’s very impactful participation in the News-Press Water Summit last month and was coordinating a grand opening for the new Student and Community Counseling Center on November 1, 2019 and a ceremonial groundbreaking for Academic Building 9 (AB9) on November 21, 2019. She indicated the decision was made to put FGCU’s annual gala on hiatus in favor of smaller and more targeted events this year.

Trustee Montgomery stated members of the Executive Committee and the Foundation as a whole were very qualified and committed to the success of the University.

Chair Gable thanked and welcomed Ms. Green.

Item 7: Standing Report from FGCU Financing Corporation Board of Directors

FGCU Board of Trustees Liaison to FGCU Financing Corporation Board of Directors Richard Eide, Jr. reported that over the summer, the Financing Corporation held a conference call meeting in July in an effort to set up an agenda “to-do list” for refunding. He stated FGCU had reached the first call date on roughly 25 percent of its outstanding bonds. He reported the interest rate markets moved substantially over the summer, lowering rates absolutely with a dramatic flattening of the yield curve. He stated there was leverage in FGCU’s favor for refunding at this time. He stated the Financing Corporation discussed the possibility of delaying this activity, and it was decided not to delay as the gain was very advantageous to the University and as this was only 25 percent of the outstanding bonds. He said that when he gave his report in June, they were basing their budget on a 95 percent student housing occupancy, but housing activity numbers were actually at a 99.1 percent occupancy rate, which was outstanding.

Item 8: Chair’s Report

Chair Gable reported the Board of Governors met at FGCU two weeks ago. He stated it was a wonderful opportunity for individuals from around the State of Florida to see the FGCU campus. He stated the Board of Governors was very pleased with the visit, and thanked those who coordinated the event. He stated the Chair of the BOG reminded all BOT Chairs of a Trustee Summit next month in Gainesville on October 29 from 8 a.m. until 3:45 p.m. at the University of Florida (UF). He stated the BOG and Chancellor felt
the Trustee Summit was extremely important, and Chair Gable encouraged all Trustees to attend. He stated October 11, 2019 was the deadline for booking the hotel, and Trustees should contact Ms. Evans for additional information.

**Item 9: President’s Report**

President Mike Martin introduced the following new employees: Vice President for University Advancement, and Executive Director of the FGCU Foundation Katherine “Kitty” Green; Dean of the Marieb College of Health & Human Services Dr. Ann Cary; Director of the Bower School of Music and the Arts Dr. Krzysztof Biernacki; Associate Vice President for Enrollment Management Lisa Johnson; and Associate General Counsel Robert Eschenfelder. He introduced and thanked Dr. Charles Lindsey for serving as Interim Dean for the College of Arts and Sciences; introduced and thanked Dr. Barbara Stites for serving as the Interim Dean of Library Services; and introduced Dr. James Cousins from Western Michigan University as the second American Council on Education (ACE) Fellow to spend a year with FGCU.

He reported FGCU was well into the search for the Dean of the Lutgert College of Business. He noted Trustee S. Smith was serving as a non-voting, advisory member of the search committee, and Senior Associate Provost and Associate Vice President for Planning and Institutional Performance Paul Snyder was serving as chair. He noted there were 90 applicants, and interviews would begin soon. He said the search for the Executive Vice President and Provost recently had begun. He reported Trustee Coone was serving as a non-voting, advisory member for this search committee, and Senior Vice President for Strategy and Program Innovation Mike Rollo was serving as chair.

He noted the Committee was soliciting nominations and advertising the position. He stated the Provost search would take a bit longer than an average search. He reported Associate Provost and Associate Vice President for Academic Affairs Tony Barringer was chairing the search for the Dean of Library Services. He stated FGCU was using for many of the searches a single executive search firm, Diversified Search, which was chosen after much research and consideration.

President Martin reported the Student and Community Counseling Center would open in October 2019. He stated he hoped construction would begin this academic year on the Entrepreneurship Building. He reported the Recreation and Fitness Center would open in January 2020. He also noted that 27,000 square feet of general meeting space was being added next door to the Cohen Center. He said the Cohen Center had always been a shared space for student activities and administrative offices but over time the hope is to transition it into a student service facility, for student meetings, student leadership offices, and a venue that is appealing for students to utilize seven days a week. He noted the Cohen Center expansion should be complete in the next couple of months.

He stated he reached out to the President of the University of the Bahamas, Rodney Smith, in an effort to help the Bahamas, and its University, recover from Hurricane Dorian. He noted Director of Emergency Management Ruth Rodriguez was
coordinating larger relief efforts campus-wide, and Ms. Evans was collecting money from the Cabinet members to make a personal contribution from FGCU leadership.

Chair Gable asked if FGCU offered in-state tuition rates to students from Puerto Rico after Hurricane Maria. President Martin responded in the affirmative. He said that it would be a while before they knew exactly in which the ways FGCU could help the University of the Bahamas, but that FGCU was willing and prepared to serve and assist.

**Item 10: Academic/Student/Faculty Affairs Committee (see Tab #5)**

Committee Chair Christian Spilker reported there was one action item for the Board, the Amended 2019 FGCU Accountability Plan. Trustee Spilker called on Provost Llorens to present this item.

**Amended 2019 FGCU Accountability Plan (TAB #5)**

Provost Llorens reported this was an action to approve the Board of Governors’ (BOG) requested revisions to the FGCU 2019 Accountability Plan. He stated the FTIC four-year graduation goal rate, approved by the FGCU Board of Trustees and presented to the BOG, was believed to be a moderate, achievable goal of a 35 percent rate for the 2018-2022 cohort; however, the BOG wanted the metric changed to a more aggressive goal of 45 percent. He stated the FGCU-Board-of-Trustees-approved goal for the APR metric was slightly less than BOG’s requested goal for the years 2018-2019 and 2019-2020, while the 2020-2021 and 2021-2022 goal would remain the same with no change. He noted they believed even with these revised BOG goals, FGCU would score sufficiently enough to retain performance funding.

Trustee Spilker called for a motion. Trustee S. Smith made a motion to approve the Amended 2019 FGCU Accountability Plan. Trustee K. Smith seconded the motion.

Trustee K. Smith asked if Provost Llorens and Dr. Cordova set the original goals with well thought out reasons for the chosen goal numbers. Provost Llorens responded in the affirmative. Dr. Cordova stated FGCU was ahead of schedule in the FTIC four-year graduation metric and he felt the BOG’s challenge to reach 45 percent in the next four years was reasonable. He stated the APR metric increase of 10 percent would be difficult; however, FGCU would work hard to reach this goal. He agreed there were well thought out reasons for the original goal numbers chosen.

Trustee K. Smith said that he understands why the four-year graduation rate metric had changed because it was clear that FGCU would achieve that goal, but pointed out that the University was not aware of the progress made in the four-year graduation rate when the goals were first created. He also pointed out that the data shown today was not final. He said the APR number seemed to be somewhat problematic. He stated the FGCU Board of Trustees was designed to discuss, implement, and govern certain things at the local level. He stated he did not believe the Board was necessarily required to approve these changes. He explained the Board had a responsibility to the University to make good decisions regarding how the University should progress. He
stated he believed FGCU leadership was best equipped to make these decisions, not the BOG. He said that when he looked back at Florida Agricultural and Mechanical University (FAMU) and the University of Central Florida (UCF), all of the issues that occurred at those institutions were not good and the BOG had approved the UCF building currently in question two times. He also pointed out the BOG had sent an advisor to FAMU to specifically discuss the issues occurring in their athletics department with FAMU’s Audit and Compliance Committee Chair, and yet the problem still continued. He noted he was concerned about who would be held accountable if these new metrics were not met. He said responsibility could be shifted, but risk could not be shifted. He asked if the BOG had data which illustrated a statistical reason for the increased Academic Progress Rate metric.

Dr. Cordova responded that after the Accountability Plan was presented to the BOG, they challenged FGCU to stretch its goals. He explained the goals were re-discussed (between President Martin, Dr. Paul Snyder, himself, and others) and it was decided while the APR increase was a stretch, this new goal was a number which could be achievable. President Martin stated he believed in “under promising and over performing” and the original goals had been set with this in mind. He said that was not the philosophy the BOG wanted to hear. He said that they had thought through the numbers carefully, but this was the hand that FGCU had been dealt.

Trustee K. Smith stated he wished to support what Dr. Cordova decided was a realistic goal and he felt it was important to establish attainable goals. He said the FGCU Board of Trustees approved the APR goal, and he felt that the BOG put the FGCU administration between the BOT and the BOG.

Chair Gable noted he had been attending the BOG meetings for two years and he believed the intent of the BOG was not punishment or an attempt to set FGCU up for failure. He said that was not the spirit of this. He stated he believed the BOG was thrilled with the path FGCU was on and did not want to see FGCU become complacent. He stated he believed the BOG wished to push FGCU to improve. He said he did not construe any of it as a negative.

Trustee S. Smith asked what was at risk if FGCU did not reach the APR goal. He asked if FGCU could lose State funding. Provost Llorens noted the changes were applied to two metrics only and FGCU was evaluated for all metrics overall. He stated when viewed as an overall accountability plan he believed FGCU would be able to meet the goals for performance funding. Trustee S. Smith asked if Provost Llorens was comfortable that FGCU’s overall portfolio numbers would enable FGCU to receive discretionary funds. Provost Llorens responded in the affirmative.

Trustee Roepstorff noted during the BOG meeting recently held at FGCU there was discussion of changing another metric which could negatively impact FGCU. Provost Llorens responded the other metric discussed was related to the metric for degrees awarded to Hispanic and African-American students. He explained the BOT wished this metric to be a set number and the BOG wished it to be a percentage; however, FGCU
was still fighting this metric change. Trustee Roepstorff asked what would happen if the BOG forced the metric change. Provost Llorens responded this change could negatively affect FGCU, but it was not guaranteed. Trustee Roepstorff said she really understood what Trustee K. Smith was saying, but having watched all of the BOG meetings, she understood that this had to do with numbers the BOG approved in 2018 (which were higher) and they were not going to approve anything lower than those numbers. She said the BOG wanted to keep the universities accountable to the numbers that were approved last time. She stated that she saw some logic to where the BOG was coming from.

Trustee Kevin Price asked if the APR goal was FGCU’s performance as related to FGCU goals, or as related to other SUS institutions. Provost Llorens responded it was FGCU’s performance as related to FGCU goals. Dr. Cordova explained the universities were scoring improvement points on the metrics and every five percent of improvement over last year was 10 points on the model. He said, for example, last year the University scored zero points on APR, but scored 10 points on four-year graduation rate. He said FGCU was currently tracking to score 10 points on four-year graduation rate, and about four points on APR, as well as points on other metrics. He stated that last year FGCU scored 81 total points, and staff are tracking the metrics closely to meet or exceed that number this year. Trustee Price noted points were doled out based upon performance, not based upon missing or making goal.

Trustee Montgomery stated he felt this push was a governance technique the Board of Governors used to ensure schools did not grow complacent.

Trustee Spilker asked what would happen if the FGCU Board of Trustees did not endorse the Board of Governors’ request. Provost Llorens stated he was unsure. He said he was not sure if the BOG would have the authority to just override the decision and hold the University accountable for what they were proposing. Trustee Roepstorff said the BOG had to accept the Accountability Report, and they could just find it unacceptable. Chair Gable stated he understood the desire of the Board to have autonomy, but he did not believe this was a point worth arguing with the BOG. He stated the frustration had been noted and heard, and he recommended voting and proceeding with the meeting.

There was no public comment, or further Board discussion. The vote was 11-2 in favor of the motion with Trustees K. Smith and Spilker dissenting.

**Item 10: Finance, Facilities and Administration Committee** (see Tabs #6-18)
Committee Chair Ken Smith reported there were four information items and nine action items on the Agenda. Trustee K. Smith called on Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera to discuss the four information items.
2018-2019 End-Of-Year Budget Report (TAB #6)

Mr. Magiera reported this was the year-end budget report and had been previously discussed at the June Board meeting. He noted the Budget Office did a good job on forecasting as overall revenues were only off 4/10 (four tenths) of a percent, and expenditures were decreased by 3/10 (three tenths) of a percent of what was projected in June. He stated the Executive Summary discussed the different accounts which were also discussed at the June Board meeting.

Carryforward Funds from Fiscal Year Ending June 30, 2019 (TAB #7)

Mr. Magiera reported the Carryforward Funds from Fiscal Year Ending June 30, 2019 was a recap of what was presented to the FGCU Board of Trustees at the June Board meeting. He reported the carryforward balance was continuously changing and was different today than it was in June. He stated the accounts did not change, but the balances in the accounts would decrease as money was spent. He stated the Board of Governors (BOG) has now asked the institutions to provide a list of encumbrances for the fiscal year ending June 30, 2019. He said encumbrances were not something people in business were used to because it is usually only used in government accounting. He explained encumbrances were very similar to accounts payables, but not the same thing. He explained all accounts payables were encumbrances, but not all encumbrances were accounts payables. He said, for example, if he ordered a podium at the end of June, government accounting would move it into an encumbrance and would take it out of the budget line so that it was no longer available. He said it would not be owed yet because it had not yet been received, thus not an accounts payable. He said they were very close, but not quite the same thing. He explained encumbrances were items which would be paid next year, and all encumbrances were required to be liquidated by December 31. He said if an encumbrance was not paid for and received by December 31, it goes back into the carryforward balance for the next year. He displayed a list of the encumbrances.

Trustee Roepstorff asked why encumbrances were required to be liquidated by December 31 if FGCU operated on a June 30 fiscal year budget. Mr. Magiera explained this was the law of encumbrances. He said the BOG did not want encumbrances going on for years, and there were rules. He explained that an item could be encumbered (such as a piece of equipment) that was expected to come in within six months, or a contract for services, as long as the service started before the end of the year. He said the point was that the BOG wanted them to add back in the encumbrances in the report which were already required payments, either backed by a purchase order or a contract. Trustee K. Smith commented that theoretically, the BOG was going to overstate money that the institution had as a carryforward, which was a quasi-problematic situation that financial statements were being put out overstated. Mr. Magiera agreed. Trustee Roepstorff said she thought a lot had to be done with the carryforward funds before the legislative session. Mr. Magiera said last year, each month they had to submit to the BOG the new carryforward amount and how much was spent (because the number constantly decreased).
Trustee K. Smith asked Mr. Magiera if he reiterated that all accounts payable were encumbrances, but that not all encumbrances were accounts payable. Mr. Magiera confirmed that he did. Trustee K. Smith said that it was an important thing to understand in government accounting.

In looking at the carryforward, Trustee Roepstorff noted a recent change which now allowed construction of buildings to be completed with carryforward funds when this had never been permitted in the past. Mr. Magiera concurred this new rule was correct. He explained there was a new rule which indicated carryforward monies could be used to help in completion of a building which had already been appropriated.

**Finance/Budget Update (TAB #8)**

Mr. Magiera reported this was the Finance and Budget update for the current year. He noted the budget began July 1, 2019 and as it was early in the fiscal year he provided a simple overall review found in the Executive Summary in the agenda packet. He noted at this point revenues were ahead of schedule (about $1.2 million) and expenditures were slower than anticipated (by $250,000). He stated when the Board had originally approved the budget there was approximately $8.7 million of unallocated funds, and these funds were now allocated to line items. He stated another thing to note was the budget included a two-percent pay raise for staff (or $1500, the greater thereof) which would be effective October 1, 2019. He noted negotiations with the University Police Department and United Faculty of Florida were not yet complete, so raise amounts had not yet been determined.

**Fixed Capital Outlay Budget Quarterly Update (TAB #9)**

Mr. Magiera stated the Fixed Capital Outlay Budget was a new report that showed all of the fixed capital items for FGCU. He stated this was presented June 10, 2019, just prior to the end of the fiscal year. He explained the bold numbers in the budget report were the numbers which had changed due to projected expenditures changing to actual expenditures. He stated going forward, the only time changes would be seen was when there was a new item or an error. He said the Board would receive this report on a quarterly basis. He indicated the final three columns were the most important and included budgeted amounts and spent-to-date amounts. He stated a correction to the sixth item down in the report was needed: the Cohen Center Multipurpose Room would obtain funds from carryforward and auxiliary dollars (about $200,000 from auxiliary and the remainder from carryforward), not just carryforward funds.

Trustee S. Smith asked if this report would note when there was an overrun (or variance) on a project. Mr. Magiera responded in the affirmative, that an overrun would show up if the expenditures exceeded the budget. Trustee S. Smith said it would be helpful if there were projected variances (that they were aware of) reflected in the report so that the Board could see what the estimate at completion would total. Mr. Magiera stated that this could be done.

Trustee Ballin asked what constituted the housing capital improvements listed on the report. Mr. Magiera responded FGCU spent approximately $2 million to $3 million
annually maintaining housing; housing capital improvements were primarily maintenance, such as painting, air conditioner replacement, and new flooring.

**FGCU Financing Corporation Bond Refinancing (TAB #10)**

Mr. Magiera reported two years ago FGCU refinanced some bonds and did really well, saving approximately $500,000 a year. He stated FGCU now had some 30-year bonds which werecallable (30-year bonds were callable after 10 years). He reported the sale of the bonds would be done on November 1, 2019, 90 days before February 1, 2020, in an effort to avoid advance refunding. He noted a financial advisor was assisting in this matter and had projected FGCU savings. He said the University had to make sure to follow the Debt Management Guidelines of the Financing Corporation, must work with the Board of Governors (BOG) and the Division of Bond Finance, and were not allowed to extend the maturity. He said that five percent was the recommended minimum savings amount. He reported the projected net present value savings was approximately 19 percent. He stated the financial advisors put together a sensitivity study (requested by Trustee Eide in June) which determined if interest rates moved one percent in the wrong direction FGCU would still save approximately $4.6 million, or 11.5 percent. Mr. Magiera noted approximately $40 million would be refinanced, and he believed the University would save approximately $500,000 again. He noted this sale could be stopped at any time; FGCU was not committed.

Trustee Spilker made a motion to approve FGCU Financing Corporation Bond Refinancing. Trustee Cors seconded the motion.

There was no public comment, or Board discussion. The vote was 13-0 in favor of the motion.

**FGCU Financing Corporation 2019-2020 Budget (TAB #11)**

Mr. Magiera stated this budget was approved by the Financing Corporation Board of Directors. He noted the net revenue received from the University was approximately $18.6 million; however, with the increase in occupancy, the number would be a little higher. He pointed out that the housing and parking operations were University operations. He said that housing brings in around $30 million, but the money to pay the principal, interest, and any excess revenues came over to the Financing Corporation budget. He noted the projected budget for 2019-2020 would be approximately $1.3 million revenues over expenses.

Trustee S. Smith asked what was done with the excess. Mr. Magiera reported excess funds stayed with the Financing Corporation. He stated the Financing Corporation had both restricted and non-restricted fund balance; restricted was for bond covenants, and there was approximately $15 million to $16 million of unrestricted fund balance which would be held and increased because of variable debt (approximately $20 million), or to pay bank loans, or to finance the next parking garage.

Trustee S. Smith made a motion to approve the FGCU Financing Corporation 2019-2020 Budget. Trustee Cors seconded the motion.
There was no public comment, or Board discussion. The vote was 13-0 in favor of the motion.

**Appointments to FGCU Financing Corporation Board of Directors (TAB #12)**

Mr. Magiera reported there were two Board Members whose terms were up and who did not wish to be reappointed to the Board: Dr. Bernie Lester and Mr. Charles Winton. He stated there were two replacements initially approved by the FGCU Financing Corporation Board of Directors: Dr. Stephen McIntosh and Mr. Martin Wasmer. He asked if there were any questions about the candidates and informed the Board that their bios were included in the agenda packet.

Trustee Roepstorff made a motion to approve the appointments to FGCU Financing Corporation Board of Directors. Trustee Spilker seconded the motion.

Trustee Fogg stated Mr. Martin Wasmer managed money for his family. He asked if this would be a conflict, and should he abstain from the vote. Vice President and General Counsel Vee Leonard responded in the negative; there was no conflict.

Trustee K. Smith asked if there was a set of qualifications one would need to serve on the FGCU Financing Corporation Board of Directors. He indicated this was a matter of curiosity, and this information could be given to him at a later date.

There was no public comment, or further Board discussion. The vote was 13-0 in favor of the motion.

**FGCU Foundation 2019-2020 Budget (TAB #13)**

Ms. Green reported the FGCU Foundation 2019-2020 Budget reflected revenues which were approximately five percent higher than the previous year due to the increased value of FGCU’s endowment. She said this was the 1.5 percent overhead charge from which the FGCU Foundation operated. She noted the additional funding was allocated among the various accounts, and there was no one place the additional funding was applied. She noted this year’s budget was similar to last year’s budget.

Trustee Montgomery made a motion to approve the FGCU Foundation 2019-2020 Budget. Trustee MacDonald seconded the motion.

Trustee K. Smith asked if money was accrued for Soar in 4. Mr. Magiera responded as the original Soar in 4 program was established, it was determined this program would not use Education & General (E&G) funds, thus they were using some Auxiliary funds. He noted the program was growing quickly and money was being set aside for the program. Dr. Cordova stated there was active fundraising being conducted with Ms. Green and the Advancement team for Soar in 4. Trustee K. Smith asked if Dr. Cordova was looking at potential positive changes to the Soar in 4 to elevate the program. Dr. Cordova responded that based on Trustee K. Smith’s previous feedback, as well as others’, the Soar in 4 program proposal would be updated and brought to the Board.
There was no public comment, or further Board discussion. The vote was 13-0 in favor of the motion.

**Appointments to FGCU Foundation Board of Directors (TAB #14)**

Ms. Green stated there were four nominations approved by the FGCU Foundation Board of Directors: David Call, who completed his first term on the Board and was initially approved for a second term, and three new appointments.

Trustee Montgomery made a motion to approve the Appointments to FGCU Foundation Board of Directors. Trustee Price seconded the motion.

There was no public comment, or Board discussion. The vote was 13-0 in favor of the motion.

**Regulation: FGCU-PR1.003 Non-Discrimination, Anti-Harassment, and Sexual Misconduct (TAB #15)**

Ms. Leonard asked Director of Equity, Ethics and Compliance, and Title IX Coordinator Precious Gunter to present Regulation: FGCU-PR1.003 Non-Discrimination, Anti-Harassment, and Sexual Misconduct. Ms. Gunter reported the Regulation had been amended to further clarify eligibility of student witnesses for amnesty for student disciplinary action for intoxication or possession in connection with the report of sexual misconduct.

Trustee Spilker made a motion to approve Regulation: FGCU-PR1.003 Non-Discrimination, Anti-Harassment, and Sexual Misconduct. Trustee Cors seconded the motion.

Trustee Ballin stated in Section 1, Affirmation, the last sentence read “Retaliation against any individual involved in reporting or in the investigation of a complaint will is prohibited.” He suggested this be corrected. Ms. Leonard stated this was a scrivener’s error and would be modified.

Trustee Ballin asked how the information regarding amnesty would be relayed to the students. Ms. Gunter stated her department informed students about the amnesty when a student came forward to file a complaint. She explained amnesty applied to complainants and witnesses. Trustee Ballin asked if students were told about amnesty only when they filed a report. Ms. Gunter said students also were informed of amnesty during student trainings such as: Title IX training, orientation training, and training for resident directors and advisors. Trustee Ballin said those students will be able to disseminate the information down to other students who may not be involved in those leadership positions so that all students on campus understood amnesty. Trustee K. Smith said that it was a good question about how the general populous of students knew that if they witnessed something, amnesty existed. He said having this was very positive, but people needed to know about it.
Ms. Gunter stated informing students was done primarily through training and programing, but all incoming freshmen also had a requirement to do My Student Body, which included Title IX modules and information about sexual misconduct. She stated the Regulation was posted on the University website, and there were booklets and pamphlets with this information distributed by her department as well.

Trustee Ballin asked if Registered Student Organizations (RSOs) were required to do Title IX training. Ms. Gunter responded in the negative; Title IX training was not mandated for registered student organizations; however, the majority of these organizations requested and received Title IX training, including Student Government.

There was no public comment, or further Board discussion. The vote was 13-0 in favor of the motion.

**Regulation: FGCU-PR5.023 Separations (TAB #16)**

Mr. Magiera reported the state auditors requested inclusion of language in Regulation: FGCU-PR5.023 Separations which indicated employees dismissed for cause were not eligible to receive severance pay. He noted this was the current practice, but the auditors wished to see the language in writing.

Trustee Cors made a motion to approve Regulation: FGCU-PR5.023 Separations. Trustee S. Smith seconded the motion.

There was no public comment, or Board discussion. The vote was 13-0 in favor of the motion.

**Florida Gulf Coast University 2019 Florida Educational Equity Report (TAB #17)**

Ms. Gunter reported each year pursuant to the Florida Educational Equity Act, every university in the SUS was required to prepare and submit an annual Florida Equity Report. She stated the Annual Equity Report examined three different areas: student services/enrollment, equity in athletics, and employment representation. She stated within these areas, gender and race were assessed to ensure there were equitable practices in place in these three defined areas.

Ms. Gunter stated in terms of student enrollment, it was important to note the Equity Report looked at the preceding academic year (July 1, 2017 through fall 2018). She noted overall enrollment was 14,943 students; of these 56 percent were female and 44 percent were male. She stated national statistics during the same applicable time period were 55 percent female and 45 percent male. She said FGCU was right in line with national statistics in terms of enrollment based on gender. She stated in terms of race (self-identified information), 34.3 percent identified as racial and ethnic minorities, which was slightly increased from fall 2016 (which was a flat 34 percent). She reported 60 percent of females obtained the degrees awarded during applicable time periods, and 31 percent of the racial and ethnic minorities obtained the degrees awarded during applicable time periods.
She reported in terms of gender equity in athletics, FGCU was substantially proportionate, meaning athletic gender representation was proportional to overall gender representation (57 percent female athletes, and 43 percent male athletes). She stated FGCU had 15 sports, nine were female, and six were male. In that time period, there were 274 athletes: 152 female and 122 male athletes. She said of the total athletes, 43 percent identified as a racial or ethnic minority. She noted there was a Diversity and Inclusion Committee through the Athletics Department which was chaired by the Athletic Director (she served on this committee). She stated FGCU also had a Title IX Committee which reviewed these types of statistics to ensure FGCU remained in compliance and had equity in terms of the athletics programs.

Ms. Gunter reported in terms of employment representation (faculty only), there were 474 non-tenure-earning faculty members; of these, approximately 46 percent were female (218), 77 percent were of the majority, and 23 percent were identified as a racial and ethnic minority.

She noted the Affirmative Action Plan was a separate federal requirement, but she included the Affirmative Action Plan data in her presentation as it reviewed the entire faculty and staff statistics, whereas the Equity Report only looked at faculty statistics. She reported during the applicable time period (2018 calendar year), there were 1,345 total employees, of which 22 percent identified as racial and ethnic minorities and 58 percent were women.

She stated her department continued with programing and promotion of equity and diversity at FGCU. She reported 170 trainings were offered during the 2017-2018 school year on a myriad of issues, including subjects ranging from sexual harassment to American Disabilities Act to age discrimination. She noted online modules also were sent out for employee completion. She said that they continued to implement the Diversity and Inclusion Certificate program, which also had been included as an evaluation metric for staff at FGCU. She said that last year, 117 programs were offered, and there were 381 graduates (214 new graduates of the certificate program, and 167 renewals).

Trustee K. Smith commented that it was an outstanding report, and he appreciated all Ms. Gunter’s area was doing.

Trustee Montgomery suggested sending an annual report communicating to the local communities how effectively FGCU was being run and the powerful things which were being accomplished as reflected in this report. President Martin agreed and stated he felt it was important for others to know of FGCU’s efforts to work in fairness and diversity. He noted he would speak with Ms. Gunter in this regard.

Trustee MacDonald stated he would like to see the number of ethnic and minority faculty members increased. He asked if there were any plans to move in this direction. He said if you looked at the faculty diversity versus the overall employee diversity, the faculty were not as diverse. Provost Llorens responded he recently asked Dr. Barringer...
to take on the additional role and responsibility for diversity and inclusion with a specific task of looking at faculty and staff ranks.

President Martin noted FGCU could be more conscious of where it advertised for faculty positions in an effort to become more diversified. Trustee MacDonald agreed that this would be very good because in the past they had been limited on the places that they advertised positions. President Martin stated he wished to create search committees that actively searched for more diverse candidates. Trustee K. Smith said that Trustee Montgomery's idea about putting out an annual report might help in getting the word out about FGCU and in making people feel more comfortable. He said that when he chaired the Presidential Search Committee, it was a struggle to make sure there was inclusiveness in applicants.

Trustee Ballin concurred with Trustee MacDonald's point about diversity. He noted the students would be grateful for any efforts made to bring in more diverse faculty members. He noted students were grateful for what the University has done to support different areas, such as adding new staff for the Multicultural Leadership Development Office and hiring the Victim Advocate on campus.

Trustee Spilker made a motion to approve the Florida Gulf Coast University 2019 Florida Educational Equity Report. Trustee S. Smith seconded the motion.

There was no public comment, or further Board discussion. The vote was 13-0 in favor of the motion.

**2020-2021 Legislative Budget Request (LBR) Submission to Board of Governors (TAB #18)**

Trustee K. Smith asked Director of Government Relations Jennifer Goen to present the 2020-2021 Legislative Budget Request (LBR) Submission to Board of Governors. Ms. Goen recognized Charlie Dudley with Floridian Partners who was FGCU's Tallahassee anchor for advocacy.

Ms. Goen stated on July 29, FGCU was required to submit a draft of the Legislative Budget Request (LBR) to the Board of Governors (BOG). She reported in December of 2017, the BOT approved the 2017-2022 Strategic Plan and then in January 2018 the BOG approved that Strategic Plan. She stated from this Plan, President Martin drafted a three-year LBR for recurring operational funds. She stated the basic principles and guiding objectives of the LBR were as follows: (1) provide every student an education which would allow her/him the opportunity for a successful career and meaningful life, (2) ensure that every student could expeditiously complete a high quality, affordable degree, (3) contribute to the regional and state economic development and quality of life by significantly improving the workforce through graduating well prepared students who participated in targeted internships and other experiential learning experiences, and (4) align academic programs with the goals of the FGCU Strategic Plan and, in turn, the 2025 System Strategic Plan, while identifying and affirming the distinctive mission and contributions of FGCU.
She reported the third year of the plan represented a $9.2 million recurring request for operational funding, and the request would focus on:

- Continued investment of scholarships
- Expanded mental health counseling and services, and campus safety
- Provide mental health counseling training
- Initialize and develop The Water School
- Expand the BSN Nursing Program to meet the state demand
- Implement region-specific workforce development partnerships
- Invest in infrastructure to provide the required technology and security

She stated in addition to the recurring operational request of $9.2 million, there would be a Public Education Capital Outlay (PECO) request for the remaining funds needed ($16.3 million) for the construction of the Integrated Watershed and Coastal Study Building, Academic Building 9 (AB9), which would house The Water School at FGCU. She stated the two requests for the 2020 proposed legislative agenda were the $9.2 million in recurring operational funding which represented the third and final year of the three-year plan, and $16.3 million in PECO funding for the Integrated Watershed and Coastal Study Building, AB9.

She stated the Eagle Advocacy Kickoff would take place on September 26, 2019 and would roll out what the FGCU Board of Trustees approved today, and that FGCU Day at the Capital would be held on January 28, 2020. She stated she hoped the Board would attend both events.

Trustee Ballin asked if the language “him/her” in the basic principles and objectives could be changed to “all students” in an effort to include transgender students. President Martin responded in the affirmative.

President Martin reported this agenda item was to approve the LBR as it was today. He stated the LBR was prepared prior to the FGCU-hosted BOG meeting as the third in a three-year installment of the tactical implementation of the FGCU Strategic Plan. He stated this LBR would put FGCU on par with other institutions with respect to funding per student.

He said at the last BOG meeting, he was introduced to a new concept, “Institutions of Distinction,” and FGCU was to be identified as one. He stated he spoke with the Chancellor this morning on the phone, and the BOG Chair in the past week, and that the BOG was requesting a statement from FGCU regarding how we defined ourselves as an “Institution of Distinction.” He said this had to be submitted to the BOG by September 16, 2019. He asked permission from the FGCU Board of Trustees to use Chair Gable as a sounding board and for final approval if changes needed to be made to the LBR. President Martin said if he were going to define the unique characteristics of FGCU that would make the institution distinguished from the other regional institutions, they would be: (1) all things water in a coastal, tropical environment; (2) health sciences serving a disproportionately geriatric population; (3) selected and
targeted partnerships, both public/public and public/private for workforce development improvement; and (4) entrepreneurship across the curriculum.

Trustee Cors made a motion to approve the 2020-2021 Legislative Budget Request (LBR) Submission to Board of Governors with a contingency authorization for Chair Gable to work with President Martin to make any necessary adjustments. Trustee Ballin seconded the motion.

Trustee MacDonald asked how the state defined an “Institution of Distinction.” President Martin stated he was unsure. He said they were still waiting for the definition, but the Chancellor said that he would be in conversations with additional information. Trustee MacDonald asked if it was possible to create something that defied the BOG’s definition. President Martin stated that he wanted the BOG to know that FGCU had been giving this some thought. He said that he believed that The Water School already had given FGCU enough visibility to begin to define the brand. He stated that there was a Summit three weeks ago, and that Governor DeSantis flew in just to attend that event.

Trustee Cors asked if there were other “Institutions of Distinction.” President responded that all of the regional universities were in this category (FGCU, FIU, FAU, UWF, UNF, and FAMU) and had to define something distinct about their institution. He said there were three institutions of pre-eminence: UF, FSU, and USF.

There was no public comment, or further Board discussion. The vote was 13-0 in favor of the motion.

**Item 11: Audit and Compliance Committee** (See Tabs #19-24)

Chair Gable called on Audit and Compliance Committee Chair Joseph Fogg to present these items.

Trustee Fogg said there was one information item, and five action items to cover. He asked Director of Internal Audit Bill Foster to be brief regarding the action items, noting that these action items were discussed thoroughly at the Audit and Compliance Committee meeting held just prior to the full Board meeting today.

**Investigation – Bishop (TAB #19)**

Mr. Foster indicated this verbal report represented an investigation into the University-issued purchasing card (P-card) activity of Dr. Winston Bishop, who previously was employed in the Division of Student Success and Enrollment Management as an Assistant Director of Outreach Programs in the department of Student Support Services. He explained Dr. Bishop had the ability to make expenditures, and some were determined to be inappropriate and unauthorized. He indicated all the misspent funds were recovered. He noted the dollar amount was approximately $7,800. He reported Dr. Bishop was terminated from FGCU. He stated there were appropriate controls in place; however, a review was being conducted regarding where the controls and processes were not followed, and where they could be enhanced going forward.
Trustee Fogg indicated the Audit and Compliance Committee (ACC) discussed this matter, and it was determined there was a responsibility through the ACC Charter to review the situation more closely and determine if the response to the situation was appropriate; this would be done at the next ACC meeting.

Office of Internal Audit Annual Report for 2018-2019 (TAB #20)

Mr. Foster reported FGCU was required by BOG Regulation 4.002 to prepare a report summarizing the activities of the Office of Internal Audit for the preceding fiscal year. He noted the Report contained information regarding Office of Internal Audit personnel, education and professional development, quality assurance improvement, audit engagements, and open items for follow-up. He stated in the interest of brevity he would refrain from further detail unless there were any questions.

Trustee K. Smith made a motion to approve the Office of Internal Audit Annual Report for 2018-2019 as presented. Trustee Montgomery seconded the motion.

There was no public comment, or Board discussion. The vote was 13-0 in favor of the motion.

Risk Assessment for 2019-2020 Internal Audit Work Plan (TAB #21)

Mr. Foster reported the BOG required the Office of Internal Audit to develop, at least annually, audit plans which were communicated to the President and submitted to the FGCU Board of Trustees for approval. He stated in developing the 2019-2020 Internal Audit Work Plan, his department performed a University-wide internal audit risk assessment, a process which identified and analyzed risks facing Florida Gulf Coast University. He noted the objective was to align internal audit resources with processes which posed the highest risk to the University’s ability to achieve its objectives. He stated in addition, fraud risk factors were considered while developing this assessment. He indicated based on earlier discussion, a copy of the work plan was included. He stated a Performance Measures Data Integrity Audit was required to be performed and the BOG also encouraged a review of Education and General Carryforward Expenditures.

Trustee K. Smith made a motion to approve the Risk Assessment for 2019-2020 Internal Audit Work Plan as presented. Trustee Spilker seconded the motion.

There was no public comment, or Board discussion. The vote was 13-0 in favor of the motion.

Degree Works Audit (TAB #22)

Mr. Foster stated this report presented a limited scope audit of the Degree Works software program to determine whether Degree Works provided accurate and timely degree advice for reviewing student progress toward degree completion. He stated a data analytics and reporting group was created to focus on using data reporting and University systems to enhance student success. He stated this group was considering other potential uses or features of Degree Works and other University systems to
enhance student success. He noted test sampling was done to determine whether data represented in Degree Works was accurate compared to original sources; it was deemed accurate. He noted when reviewing the access controls, it was determined the Degree Works access control policy for users did not adequately reflect the current reporting structure of the advising function. He noted there had been changes in University organization which directly impacted the primary user groups in Degree Works, and it was recommended that the Office of Academic and Curriculum Support work with all applicable departments to update the access policy. He stated management agreed and was working to implement this recommendation.

Trustee K. Smith made a motion to accept the Degree Works Audit as presented. Trustee MacDonald seconded the motion.

Trustee Ballin asked if this audit evaluated the usefulness of Degree Works. Mr. Foster responded in the negative; the audit evaluated the accurateness of information. Trustee Fogg noted the usefulness of Degree Works was discussed at the ACC meeting, and it was agreed it was a useful program. Trustee Ballin recommended obtaining student input regarding the usefulness of Degree Works. He said he thought they would receive mixed reviews from students as to whether Degree Works actually was helpful. Trustee Fogg noted this type of survey would not fall under the jurisdiction of the Office of Internal Audit. Provost Llorens noted he, along with Dr. Cordova, would meet with Trustee Ballin to discuss any concerns students had regarding Degree Works.

There was no public comment, or Board discussion. The vote was 13-0 in favor of the motion.

**Vester Marine & Environmental Science Research Field Station Audit (TAB #23)**

Mr. Foster stated this report represented a limited-scope audit of the Vester Marine & Environmental Science Research Field Station. He stated the Office of Internal Audit reviewed the University’s operations as related to Vester’s activities, revenues, expenditures, and related internal controls for calendar year 2018. He stated the first objective was to determine whether there were sufficient internal controls in place for identified Vester activities. He indicated during the review it was noted Vester followed appropriate guidelines for campus-wide activities with pre-existing University policies and procedures. He stated guides for administering Vester should be documented in a manual which contained procedures specific to Vester in addition to referencing established University policies where applicable. He stated written manuals supported allowable practices and consistency in daily operations. He noted procedures not in writing may lead to operating inconsistencies and could expose the University to unnecessary risk.

Trustee Fogg noted there were a number of minor exceptions found within the audit. He noted none of the exceptions caused concern for the Audit and Compliance Committee, and called for a motion.
Trustee K. Smith made a motion to accept the Vester Marine & Environmental Science Research Field Station Audit as presented. Trustee Gable seconded the motion.

There was no public comment, or Board discussion. The vote was 13-0 in favor of the motion.

**Florida Retirement System Audit (TAB #24)**

Trustee Fogg noted this Audit was performed by state auditors, not FGCU’s Office of Internal Audit. He noted it resulted in a clean opinion and a clean audit.

Trustee K. Smith made a motion to accept the Florida Retirement System Audit as presented. Trustee S. Smith seconded the motion.

There was no public comment, or Board discussion. The vote was 13-0 in favor of the motion.

**Item 12: Old Business**

There was no old business for discussion.

**Item 13: New Business**

President Martin noted for Hurricane Dorian, Chief of Staff Susan Evans and Chief of Police Steven Moore kept all informed regarding storm activity, which enabled decisions to be made regarding the FGCU campus and operations. He thanked Ms. Evans and Chief Moore. He noted classes were canceled for one day in an effort to relieve any pressure on students to return to campus for classes during high traffic times due to evacuations.

**Item 14: Chair’s Closing Remarks, and Adjournment**

Chair Gable noted it would be informative to hear a presentation from The Water School. The Board agreed, and Chair Gable asked for this to be done at the next meeting.

He stated the next FGCU Board of Trustees meeting would be held on Tuesday, January 14, 2020. He noted the Audit and Compliance Committee was holding a workshop on Senate Bill 190 after a 10-minute break; all Trustees were welcome to attend; and lunch would be served.

Chair Gable adjourned the meeting at 12:41 p.m.
Minutes prepared by Transcription Experts, and reviewed by Tiffany Jackson, FGCU Assistant Director of Board Operations.

Agenda Items:

A. See Tabs # 1-24

B. Handouts

Attachment:

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Record of Votes
FGCU Board of Trustees
DATE: 9/10/2019

FGCU Board of Trustees - January 14, 2020
Florida Gulf Coast University Board of Trustees
January 14, 2020

SUBJECT: Minutes of October 31, 2019 Conference Call Meeting

PROPOSED BOARD ACTION

Approve minutes

BACKGROUND INFORMATION

The Florida Gulf Coast University Board of Trustees met via conference call on October 31, 2019. Minutes of the meeting were kept as statutorily required.

Supporting Documentation Included: Minutes of October 31, 2019 Conference Call Meeting

Prepared by: Transcription Experts and Assistant Director of Board Operations
Tiffany Jackson

Legal Review: N/A

Submitted by: Vice President and Chief of Staff Susan Evans
FLORIDA GULF COAST UNIVERSITY BOARD OF TRUSTEES
CONFERENCE CALL MEETING

Thursday, October 31, 2019

CALL ORIGINATED FROM EDWARDS HALL, ROOM #309
FLORIDA GULF COAST UNIVERSITY

Meeting Minutes

Members:
Present: Trustee Blake Gable (by phone) – Chair; Trustee Robbie Roepstorff (by phone) – Vice Chair; Trustee Josh Ballin (by phone); Trustee Ashley Coone (by phone); Trustee Richard Eide, Jr. (by phone); Trustee Joseph Fogg III (by phone); Trustee Jamie MacDonald (in person); Trustee Leo Montgomery (by phone); Trustee Kevin Price (by phone); Trustee Kenneth Smith (by phone); and Trustee Christian Spilker (by phone).

Not Present: Trustee Darleen Cors (Excused Absence) and Trustee Stephen Smith (Excused Absence).

Others:
Staff: President Mike Martin; Provost and Vice President for Academic Affairs James Llorens; Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera; Vice President and Chief of Staff Susan Evans; Vice President and General Counsel Vee Leonard; Director of Internal Audit Bill Foster; Director of Operations Tiffany Reynolds; Assistant Director of Board Operations Tiffany Jackson Tramontozzi; Project Manager Melissa Pind; and Executive Assistant to the Vice President and Chief of Staff Bruna Ugolotti.

Notice of Emergency Meeting:
In accordance with the Florida Gulf Coast University Board of Trustees Bylaws, these minutes reflect the manner and method by which each member of the Board was notified of the emergency meeting. Specifically, Vice President and Chief of Staff Susan Evans on October 25, 2019 sent an email to each member of the Board to announce the call by Chair Blake Gable for an emergency meeting to act on the Amended Textbook and Instructional Materials Affordability Annual Report. Also, in accordance with the Bylaws, Ms. Evans issued a press release to the region’s media outlets to indicate the date, time, place and purpose of the meeting. Additionally, the meeting information was provided to FGCU’s faculty, staff and students via a campus-wide email.
Item 1: Call to Order, Roll Call, and Opening Remarks
Chair Blake Gable called the meeting to order at 1:30 p.m. He noted the call originated from Edwards Hall, Room 309, on the campus of Florida Gulf Coast University (FGCU). He indicated the meeting was called in accordance with the FGCU Board of Trustees Bylaws provision for an emergency meeting when an issue required immediate Board action. He explained the immediate action was to adopt the Amended Textbook and Instructional Materials Affordability Annual Report which was due to the Board of Governors (BOG) tomorrow, November 1, 2019. He noted this would be the only item of business today.

Chair Gable asked Vice President and Chief of Staff Susan Evans to call the roll. Roll call was taken with 11 of 13 members participating, thus meeting quorum requirements.

Chair Gable asked Provost and Vice President for Academic Affairs James Llorens to present the Amended Textbook and Instructional Materials Affordability Annual Report.

Item 2: Amended Textbook and Instructional Materials Affordability Annual Report (TAB #1)
Provost Llorens stated each year FGCU was required to submit to the Board of Governors (BOG) a Textbook Affordability Annual Report which was prepared and submitted by the Office of the Provost using data collected by the FGCU Bookstore. He said the data from the textbook collection process included: courses not requiring textbooks or instructional materials; initiatives to reduce cost of materials; policies for posting materials; course sections which did not meet the deadline for timely adoption; and courses which received an exception. He indicated the BOG was most interested in the timely adoption rates – which was faculty reporting required instructional materials to the bookstore within the specified timeframe. He noted the report the FGCU Board of Trustees (BOT) approved at its September 10, 2019 meeting recorded adoption rates for fall 2018 at 84.05 percent and spring 2019 at 90.74 percent. He noted on September 3, 2019, prior to the BOT meeting, FGCU received an email from the BOG requesting the report be updated to include course sections that revised textbook and instructional materials after the posting deadline, thus resulting in non-compliance. He indicated this updated information was to be submitted as an addendum to the original report, but it still required FGCU BOT approval. He explained that the original report had been prepared and submitted for approval at the September 10 FGCU BOT meeting because the Office of the Provost was not able to secure the data needed from the bookstore to prepare the addendum prior to the meeting.

Provost Llorens noted the addendum was prepared for approval today and it revised the adoption rate down. He said that 252 course sections which had been reported as untimely because of the changes required by the BOG. Provost Llorens stated that with the changes required by the BOG, the adoption rates dropped to 77.92 percent for fall 2018 and 79.8 percent for spring 2019. He said the number of untimely adoptions for fall 2018 was at 22.08 percent (or 478 courses), and the untimely adoptions for spring 2019 was 20.22 percent (or 435 courses). He stated some courses that received an exception to the reporting deadline were offered
as part of the FGCU Complete program. Provost Llorens explained that institutions also were asked by the BOG to provide information on the number of course sections that revised textbook and instructional materials after the posting deadline. He said for fall 2018 there were 251 sections with changes, and for spring 2019 there were 593 sections with changes. Provost Llorens stated these were materials provided after the 45-day window prior to the start of the semester.

Provost Llorens said he notified the BOG staff that FGCU would not be able to secure Board approval until after the deadline for report submission, and following several telephone conversations with BOG staff, he submitted the previously approved signed report along with the unsigned revised report. He informed BOG staff the signed revised report would be submitted once FGCU BOT approval was secured. He indicated BOG staff informed him they could not accept the unsigned report; therefore, this emergency meeting was necessary. He stated additionally, FGCU was asked to explain the reason for the lower rate of adoption. He noted several factors had been identified and the Office of Provost was collaborating with the bookstore, deans, department chairs and faculty to improve adoption rates.

Provost Llorens explained that a number of course sections were not made available to students until maximum enrollment was met. He noted these were called “ghosted” sections, and these sections appeared with the bookstore’s data as a section which was not meeting the timely report deadline. He explained some adjustments would be made to prevent this from occurring in the future. He noted if a class did not require materials, faculty were required to inform the bookstore that no materials were needed; otherwise, it was reported as not meeting the deadline for a timely report. He stated this was being addressed. He stated this semester Follet Discover would be implemented; it was user friendly and worked within the learning management system on campus. He said this system gave instructors an easier point of access, students easier access and purchase ability, and allowed university staff to monitor adoptions in real time. He stated the Follet Discover access automatically appears when courses were assigned. He indicated it also pre-populated information for courses that never required materials. He noted fall adoptions would be requested before summer break when possible, and they also were going to limit the number of “ghosted” courses. He stated these were FGCU’s responses to the BOG and he believed that they met the BOG requirements; the FGCU BOT approval was now needed for submittal.

Chair Gable indicated he had conversations with the Chancellor and the BOG Chair and all were in agreement FGCU was making good improvements. He asked if there were any questions.

Trustee Jamie MacDonald stated not all “ghosted” sections were courses with instructors; sometimes “ghosted” sections were opened for anticipated new hires. Provost Llorens agreed and stated that those sections still show up on the adoption report.
President Mike Martin stated if an auditor reviewed FGCU it would be discovered that
the total cost of class materials was among the lowest in the State University System.
He noted FGCU did not have heavy use of traditional majors which utilized expensive
textbooks such as chemistry and physics. He indicated FGCU had many more
interdisciplinary degrees which utilized other types of materials, including for
entrepreneurship, integrated studies, etc. He noted if the real interest was to keep
down the cost to students, FGCU had this built into its program. President Martin said
that new majors had been added for which there was still some uncertainty regarding
the textbooks, including for construction management; supply chain management;
agribusiness management; and environmental geology. He said he felt the addition of
these new majors reflected the fact FGCU had a dynamically changing curriculum for
which instructors are still determining what materials (if at all) they were going to use.
He stated while FGCU was required to comply with BOG standards, he would like the
BOG staff to understand that FGCU was not University of Florida or Florida State
University, but had many more applied types of degrees which were interdisciplinary
rather than single disciplines that routinely sold expensive textbooks.

Trustee Richard Eide asked if the combination of changes being put in place would help
FGCU meet the goal of 95 percent adoption. Provost Llorens stated the initiatives were
started this semester, and he was pleased with the progress. Provost Llorens noted
other measures were being taken to keep textbook costs down such as the timed
textbook rental program in which students could rent books for two hours at a time from
the Library (to be used in the Library) in an effort to lower book costs. Trustee Eide
noted there was a good argument on the substance, as mentioned by President Martin;
however, what was to be considered today was that FGCU meet the BOG
standards. Provost Llorens agreed with Trustee Eide and noted the report was for the
previous academic year and was required annually. He explained the BOG had
changed the report requirements just prior to the previous BOT meeting which did not
allow the Office of the Provost enough time to correct it prior to approval and
submission. Trustee Eide agreed and stated he believed FGCU was caught in a
“gaming exercise” and was now working to eradicate the issues. He stated if there was
argument on the substance, that should be handled separately and it was important at
this juncture to be in line with the BOG requirements. Provost Llorens agreed with
Trustee Eide.

Chair Gable called for a motion to approve the Amended Textbook and Instructional
Materials Affordability Annual Report.

Trustee Ken Smith moved to approve the Amended Textbook and Instructional

There was no public comment, or further Board discussion. The vote was 11-0 in favor
of the motion.
Item 3: Closing Remarks and Adjournment

Chair Gable thanked the Trustees for participating in today’s conference call. He noted the next BOT meeting would be on Tuesday, January 14, 2020. He asked if Provost Llorens would be in contact with the Board of Governors (BOG) regarding the approved Amended Textbook and Instructional Materials Affordability Annual Report. Provost Llorens responded in the affirmative, and said he would follow up with the BOG.

Chair Gable adjourned the meeting at 1:48 p.m.

Minutes prepared by Transcription Experts, and reviewed by Tiffany Jackson Tramontozzi, FGCU Assistant Director of Board Operations.

Agenda Item:
A. See Tab #1

Attachment:
A. Record of Votes
# Record of Votes

**FGCU Board of Trustees**

**DATE:** 10/31/2019

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Florida Gulf Coast University Board of Trustees
January 14, 2020

SUBJECT: Student Success - Enrollment Management Initiative

PROPOSED BOARD ACTION

Information only

BACKGROUND INFORMATION

An integral part of FGCU's comprehensive Student Success Initiative is the need to decrease the rates of D, F, W's (grade of "D," grade of "F," and "Withdrawal") received by students in key lower level and upper level courses. Decreasing the rates of D, F, W's has been shown to significantly improve retention, persistence and four-year graduation rates at colleges and universities nationwide. This presentation will provide an overview of the new initiatives and strategies that will decrease D, F, W's over time at FGCU.

Supporting Documentation Included: N/A

Prepared by: Vice President for Student Success and Enrollment Management
Mitch Cordova

Legal Review: N/A

Submitted by: Vice President for Student Success and Enrollment Management
Mitch Cordova
ITEM: 4

Florida Gulf Coast University Board of Trustees
January 14, 2020

SUBJECT: The Water School at Florida Gulf Coast University

PROPOSED BOARD ACTION

Information only

BACKGROUND INFORMATION

The Water School at Florida Gulf Coast University uses a holistic approach that focuses on the environmental sciences but also draws in the social sciences, health sciences, business and engineering. It is designed to:

- Feature state-of-the-art research and learning facilities where students receive the professional preparation they need to tackle real-world problems;
- Bring together all water-focused faculty from the marine and ecological sciences, biology, engineering and business fields;
- Integrate FGCU's off-campus facilities that provide access to the Gulf of Mexico, estuaries, rivers and the Everglades;
- Draw in local, national and international partners and open the doors to new partnerships;
- Conduct outreach and education programs in FGCU's local communities to help create a more water-literate society;
- Empower FGCU to claim its rightful place as a leading, independent source of environmental and scientific knowledge; and
- Take the lessons learned here and apply them throughout the state, nation and world.

With the launch of The Water School and the recent groundbreaking for its future home in Academic Building 9, FGCU Board of Trustees Chair Blake Gable requested an informational presentation to the Board.

Supporting Documentation Included: N/A

Prepared by: Vice President and Chief of Staff Susan Evans

1
Legal Review:  N/A

Submitted by: Vice President and Chief of Staff Susan Evans
ITEM: __5__

Florida Gulf Coast University Board of Trustees
January 14, 2020

SUBJECT: Campus Master Plan Update for 2020-2030

PROPOSED BOARD ACTION

Information only

BACKGROUND INFORMATION

Under Florida law, 1013.30, F.S., the state universities are required to prepare and adopt, through each university’s board of trustees, campus master plans to define the projected physical growth, to ensure governmental coordination between the universities and their host communities, and to provide a basis for appropriately assessing and mitigating the impacts of future growth and development of each entity upon the other. Plans are required to be updated every five years.

The Campus Master Plan (CMP) is an expression of, and complement to, the University’s Strategic Plan, Mission, Vision, Values, and Goals. The planning process involves input from staff, faculty, students and host community. It includes a comprehensive assessment of current conditions and needs, a long-term physical vision for the growth and development of the campus, and an action plan for short-term implementation.

Consultants Leo Alvarez, FASLA, Leed AP, and Jay Demma, AICP, of Perkins & Will will provide an update on the data, concepts and direction of the Campus Master Plan Update 2020-2030.

Supporting Documentation Included: Schedule for FGCU Master Plan Update 2020-2030

Prepared by: Director of Facilities Planning Tom Mayo and Leo Alvarez, Master Planning Principal of Perkins & Will
Legal Review: Vice President and General Counsel Vee Leonard (December 9, 2019)

Submitted by: Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera
Florida Gulf Coast University Master Plan Update 2020 – 2030

Schedule

January 14, 2020  Board of Trustees (BOT) information agenda item
- Statutes, Board of Governors Guidelines, relationship to Lee County Comprehensive Plan
- Integration with institutional Strategic Plan
- Process outline and Schedule for BOT involvement

January 24, 2020  Advertise, Notice of Informal Public Information Meeting*

February 24, 2020  Informal Public Information Meeting*

March 13, 2020  Advertise, Notice of April 14th First Public Hearing*

April 14, 2020  BOT action agenda item
- First Public Hearing of Master Plan*
- Request approval of Final Draft of Master Plan Update 2020 – 2030
- Submit for review to Public Agencies and post for general public review a comment

August 14, 2020  Advertise, Notice of September 15th Second Public Hearing*

September 15, 2020  Second Public Hearing* and Proposed BOT Adoption of Master Plan Update 2020 – 2030

*Statutory requirement (Section 1013.30)
Florida Gulf Coast University Board of Trustees  
January 14, 2020  

SUBJECT:  Online Graduate Programs  

PROPOSED BOARD ACTION  

Information only  

BACKGROUND INFORMATION  

Florida Gulf Coast University has entered into an agreement with Academic Partnerships, LLC, a privately held firm that provides online education solutions. Leveraging the firm's expertise in marketing, analytics, retention and support in online course delivery, Florida Gulf Coast University is planning to launch five graduate programs in a complete online environment. At the start, FGCU will offer a Master's in Business Administration along with four graduate programs within the College of Education: Educational Leadership in Higher Education, Educational Leadership in K-12, Special Education, and Curriculum and Instruction in Reading and Elementary Education. 

Academic Partnerships has the expertise in reaching new students without regard to geography. The delivery of these selected programs will not only increase the profile of Florida Gulf Coast University as relates to graduate program offerings, but increase the University's name recognition on a broad scale. Academic Partnerships currently serves more than 60 universities in the United States and around the world. Working in coordination with the faculty and staff at Florida Gulf Coast University, we anticipate growth in graduate degree production through this initiative. 

The presentation will focus on the financial aspect of the partnership, detailing the revenue and expense projections over a five-year period. The model was built using the most conservative approach available in the assumptions, and is predicated upon any student enrolled in exclusive online-only graduate programs will be assessed the in-state rate regardless of residency.
Supporting Documentation Included: N/A

Prepared by: Assistant Vice President for University Budgets David Vazquez

Legal Review: Vice President and General Counsel Vee Leonard (December 9, 2019)

Submitted by: Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera, and Senior Vice President for Strategy and Program Innovation Mike Rollo
Florida Gulf Coast University Board of Trustees
January 14, 2020

SUBJECT: FGCU Regulation 4.002 Student Code of Conduct and Student Conduct Review Process

PROPOSED BOARD ACTION

Approve amendments to FGCU Regulation 4.002 Student Code of Conduct and Student Conduct Review Process

BACKGROUND INFORMATION

A committee of students, faculty, and staff met over the 2019 Fall semester to review the Student Code of Conduct and Student Conduct Review Process. Board of Governors Regulation 6.0105 requires performance of a periodic evaluation of the student disciplinary system. FGCU Regulation 4.002 has been amended to: prohibit gambling on campus, prohibit commercial solicitation without prior approval, and describe the existing procedures to seek judicial review following the final decision made by the University.

Supporting Documentation Included: (1) Executive Summary, and (2) Notice and Text for FGCU Regulation 4.002 Student Code of Conduct and Student Conduct Review Process

Prepared by: Associate Vice President for Student Engagement Brian Fisher

Legal Review: Vice President and General Counsel Vee Leonard (September 9, 2019)

Submitted by: Vice President for Student Success and Enrollment Management Mitch Cordova
Executive Summary of Student Code of Conduct Regulation Revisions

Attached is a copy of the Student Code of Conduct, which contains several recommended amendments to the current version. A review was undertaken in accordance with Article G.2. of the current Code and with relevant Board of Governors’ Regulations. A committee was formed and appointed by Dr. Cordova in order to review the Code and make recommendations. Below is a summary of the changes made.

Proposed Changes:

- B.4.h. Creates a prohibition against gambling while on University Premises.
- B.5.j. Creates a prohibition against Commercial Solicitation without prior approval from a University Official, in conjunction with existing regulations.
- F.7. Describes the existing procedures for students wishing to contest a final determination under the Code through judicial review. Including the timeline for filing a petition and the requirement to provide a copy to the University.

All other proposed changes are limited to renumbering to accommodate the above proposals, updating formatting, and edits to provide greater clarity.
FLORIDA GULF COAST UNIVERSITY
NOTICE OF REGULATORY ACTION

REGULATION TITLE:
Student Code of Conduct and Student Conduct Review Process

REGULATION NO:
4.002

SUMMARY:
This regulation is amended to reflect current practices and revise terms and procedures in the
Student Conduct Review Process.

FULL TEXT:
The full text of the regulation being proposed is attached and can also be found at
http://www.fgcu.edu/generalcounsel/promulgation.asp

AUTHORITY:
Sections 1006.60, 1006.61, 1006.62, 1006.63, Florida Statutes; Board of Governors
Regulations 1.001 and 6.0105

UNIVERSITY OFFICIAL INITIATING THE PROPOSED/REVISED REGULATION:
Dr. Michele Yovanovich, Assistant Vice President and Dean of Students

UNIVERSITY OFFICIAL APPROVING THE PROPOSED/REVISED REGULATION:
Dr. Mitch Cordova, Vice President for Student Success and Enrollment Management

CONTACT INFORMATION REGARDING THE PROPOSED/REVISED REGULATION:
Todd Caraway
Office of the General Counsel
10501 FGCU Blvd. S., Fort Myers, FL 33965-6565
(P): 239.590.1101 | (F): 239.590.7470 | Email: gco@fgcu.edu

Any person may submit written comments concerning a proposed regulation, amendment,
or repeal to the contact person identified above within 14 days after the date this notice was
posted. The comment(s) must identify the regulation to which you are commenting.

THIS NOTICE WAS POSTED ON THE FGCU WEBSITE ON OCTOBER 18, 2019.
A. Introduction, Definitions, and Terms

1. Table of Contents

   Article A – Introduction, Definitions and Terms  Page 1
   Article B – Standards of Conduct  Page 6
   Article C – Interim Actions  Page 15
   Article D – Procedures for Adjudication  Page 17
   Article E – Sanctioning  Page 33
   Article F – Procedures for Appeal  Page 38
   Article G – Special Provisions and Procedures for Review  Page 41

2. Purpose and Application

   a. The Student Code of Conduct and Student Conduct Review Process (Code) is created to promote a positive educational environment in which Students are encouraged to learn and develop as citizens and scholars. The Code is intended to provide a framework for individual and organizational conduct within which all members of the community are encouraged to challenge, explore, and investigate any subject of interest. This Code also exists to foster and enhance the academic mission of the University; to protect the rights of all University Students, faculty, and staff; to protect University property; to protect the University Community from disruption and harm; and to encourage appropriate standards of individual and group behavior.

   b. All Students are expected to comply with all local, state, and federal laws at all times. Additionally, Students are expected to comply with the standards of conduct set forth in the Code. This Code applies to all students throughout their time as members of the University Community. The University recognizes student success, as well as the security and integrity of the University Community, are affected by all areas of a Student’s life. Therefore, Students are responsible for ensuring their behavior meets the standards and policies set forth in this document whether on or off campus. These standards are designed to foster an environment of personal, social, and ethical development and to promote the protection of the rights, responsibilities, safety, and welfare of the University Community, while ensuring that all community members are free to pursue their educational goals.

   c. The Code will be applied without regard to race, color, national origin, ancestry, religion, sex, sexual orientation, gender identity, marital status, age, physical or mental disability, or military or veteran status. Any Adjudication will be based solely
on the conduct for which Charges were brought against the Student.

3. Authority

The University Board of Trustees has delegated to the University President the final responsibility and authority for the discipline of University Students. The President has further delegated this authority to the Vice President for Student Success and Enrollment Management. The responsibility for the investigation and Adjudication of alleged acts of misconduct has been delegated to the Dean of Students and the faculty, as described in Article A.4. Registered Student Organizations are also subject to regulation and discipline under this Code.

4. Jurisdiction and Scope

a. This Code shall apply to all Students and Registered Student Organizations of the University.

b. This Code applies to conduct occurring on University Premises, or at any activity or event sponsored or operated by the University, including study abroad or exchange programs. However, the University reserves the right to impose discipline based on any Student conduct, regardless of location, that may adversely affect the University Community. This may include Violations which are alleged to have occurred partly or entirely through electronic means.

c. The University’s conduct process may be instituted based upon a Student’s alleged conduct that, if committed, would violate criminal law or this Code without regard to the pendency of civil or criminal litigation. Proceedings under this Code may be carried out prior to, simultaneously with, or following civil or criminal proceedings at the discretion of the President or designee.

d. Whether in-person or online, faculty members have the primary responsibility of managing the classroom environment. Faculty members may remove a Student from the classroom for disruption on the day that it occurs. If the Student continues to disrupt the classroom, the faculty member should make a written incident report to the Office of Student Conduct. The report is processed in accordance with the investigation and Student conduct review process as outlined in the Code.

5. Definitions

a. Academic Integrity Committee (AIC): A committee comprised of Students and faculty, trained to review alleged violation(s) of academic integrity, make findings, and recommend sanctions to the Dean of Students.

b. Administrative Hearing: A proceeding conducted before a Hearing Officer, who reviews the information presented, makes a finding of “responsible” or “not
responsible” for the alleged violation(s) of the Code, and may impose sanctions.

c. **Adjudication**: The process by which alleged Violations of this Code are resolved, including all Hearings and appeals.

d. **Advisor**: Any one person (unrelated to the case at issue), including an attorney, chosen by the Student, Organization, or Impacted Person to assist him or her.

e. **Appeal Officer**: The University Official who has jurisdiction to consider an appeal of a determination under the Code.

f. **Appellant**: Any person who has filed an appeal under Article F.

g. **Charge**: An alleged violation of this Code.


i. **Complainant**: Any person who reports a Violation of the Code.

j. **Complaint**: A report or statement alleging a Violation of a specific provision of this Code.

k. **Consent**: For purposes of the Code, the mutual assent by words or actions to engage in a particular sexual activity that must be made voluntarily and competently by all parties. In order for Consent to be given voluntarily, the party giving Consent must be free from threat, force, intimidation, extortion, or undue influence. In order for Consent to be given competently, each person giving Consent must have the mental ability to understand the encounter and agree to participate. If any person is incapacitated due to drug or alcohol use, or any other circumstance, and is unable to communicate Consent, which circumstance may include unconsciousness, disability, involuntary physical constraint, sleep, or other forms of helplessness, then that person lacks the necessary capacity to give Consent.

l. **Day**: Any weekday not designated by the Office of Records and Registration on the academic calendar as a day when classes will not be held. Saturday class days will not be counted in establishing time periods under the Code.

m. **Disciplinary Probation**: A period during which the Student is not in good standing and has restrictions placed upon the Student’s participation in University activities.

n. **Disciplinary Proceeding**: Any meeting, conference, or Hearing which occurs in the course of adjudicating one or more alleged Violations of this Code.

o. **Facilitator**: A University Official assigned by the Dean of Students, or designee, to
coordinate the Hearing process and assist the committee in complying with Hearing procedures.

p. Good Disciplinary Standing: A Student who does not have an incomplete or overdue sanction and is not currently on Disciplinary Probation.

q. Guest: An individual not assigned to live in the particular room or apartment where the individual is present at the time of the alleged infraction or an individual who has been invited, escorted, or otherwise permitted to be present by a Student or Organization to a specific location, activity, or event.

r. Hearing: An investigative and adjudicative proceeding before a Hearing Officer, Student Conduct Committee, or Residential Conduct Committee, the result of which will be a determination of responsibility or no responsibility for one or more alleged Violations.

s. Hearing Officer: A University official designated by the Dean of Students to address alleged Violations of the Code.

t. Hold: An administrative notification that precludes administrative activity in the Student’s academic record.

u. Impacted Person: Any person alleged to have been the victim of one or more Violations of Articles B.2.a., B.2.b.2., B.2.b.3., B.2.b.4., and B.2.b.5. or any other act of sexual misconduct as defined by this Code, any person to whom the University has a legal obligation to disclose the outcome of an Adjudication, or any person who must be informed of the outcome of Adjudication in order for sanctions to be effectively implemented. In cases where the person is deceased, this shall include the spouse, parent, or representative thereof.

v. Intimate Partner: Person(s) who are or who have been dating, cohabitating, married, separated, or divorced, and may be of the same or opposite sex. Intimate Partners does not include roommates assigned to the same housing unit by the Office of Housing and Residence Life unless there is evidence of a relationship of an intimate nature.

w. Notice: Communication from the University for any purpose listed in this Code to an assigned University e-mail address or hand delivery. Notice refers to the act of delivery and is considered complete without regard to the choice to access, read, or respond to the communication.

x. Registered Student Organization (RSO or Organization): A group of Students who are registered with the Office of Student Involvement. This term includes all academic, athletic, general interest Student organizations, registered sport clubs, and organizations regulated by the Office of Fraternity and Sorority Life. The President of the Organization shall serve as the representative of the Organization for
Adjudication under the Code.

y. **Residential Conduct Committee (RCC):** A committee comprised only of residential Students established to review Charges of Student conduct Violations alleged to have occurred in the residence halls. No faculty or staff are included in the RCC.

z. **Respondent Organization:** An Organization that has been alleged to have violated the Code. For the purposes of communication and adjudicative proceedings, the term shall be used to designate the president of the Organization on record with the Office of Student Involvement as the representative of the accused Organization.

aa. **Respondent Student:** A Student that has been alleged to have violated the Code.

bb. **Student:** For purposes of this Code, any person who, at the time of an alleged violation of this Code, meets one or more of the following requirements:

1) Any person notified of acceptance for admission to the University;

2) Any person enrolled in one or more courses at or through FGCU, either full-time or part-time, degree-seeking or non-degree-seeking, on campus, through distance learning, or as part of an international program;

3) Any person living in property owned, operated, managed, or otherwise controlled by the University, unless the sole purpose of residence is in fulfilment of a requirement of employment;

4) Any person who withdraws from the University at any point during Adjudication; or

5) Any person who, though not currently enrolled, is eligible to enroll in one or more courses without completing the admission process.

cc. **Student Conduct Committee (SCC):** A committee of no less than three (3) and no more than six (6) Students, faculty, and staff established to review Charges of Student conduct Violations. Students shall make up no less than fifty percent (50%) of its membership.

dd. **Transcript Overlay:** A notation on a Student’s University transcript that states the Student is not in Good Disciplinary Standing due to a disciplinary suspension or expulsion.

e. **University:** Florida Gulf Coast University (FGCU), including all of its campuses, centers, and off-site locations.

ff. **University Community:** Members of the University Community include members of
the Board of Trustees, employees, Students, University Officials, and volunteers affiliated with FGCU.

gg. **University Housing**: A residence in a University-operated facility.

hh. **University Official**: Any individual authorized or directed by the President, or designee, to perform any delegated function for the University, including faculty, staff, and administrators.

ii. **University Premises**: All land, buildings, facilities, and other properties owned, used, leased, operated, or otherwise controlled by the University or one of its direct support organizations including adjoining sidewalks, streets, and public spaces.

jj. **Violation**: An action or inaction that meets the definition of a standard of conduct found in Article B of the Code.

kk. **Witness**: Any person with actual knowledge of an incident being Adjudicated who is present at a Hearing, either in person, via electronic means, or in writing, for the purpose of providing information for consideration by the Hearing Officer or relevant committee.

6. Disciplinary Records

   a. All records pertaining to the Student conduct process will be maintained by the Office of Student Conduct for a period of seven (7) years following the last semester in which a Student was enrolled at the University. In cases where a Student is suspended or expelled, all Student conduct records will be maintained permanently. A Student may inspect his or her own records by scheduling an appointment with the Office of Student Conduct.

   b. If a Student is suspended or expelled, a determination of a Violation of established laws or University regulations may be recorded in the Student’s disciplinary record in the Dean of Students’ Office and with the Office of Records and Registration.

   c. The release of Student disciplinary records will be governed by applicable University regulations and procedures as well as state and federal law.

B. **Standards of Conduct**

   The following actions, including complicity to commit these actions, constitute conduct for which a Student, a group of Students, or an Organization may be subject to disciplinary action, whether such actions are engaged in, on, or off University Premises:

1. Standards Related to Academic Integrity

   a. Submitting the work of another person or entity as your own.
b. Intentionally using or attempting to use any unauthorized assistance, including, but not limited to, materials, notes, study aids, or devices or communication of any kind during an academic exercise, including, but not limited to, quizzes, tests, or examinations.

c. Use of sources beyond those authorized by the instructor in writing papers, preparing reports, solving problems, or carrying out other assignments.

d. The acquisition, without permission, of tests or other academic material belonging to a member of the University faculty or staff.

e. Engaging in any behavior specifically prohibited by a faculty member in the course syllabus or class instruction.

f. Submitting work which has been submitted, in whole or in part, in a previous or concurrent class without instructor approval.

g. Preparing or providing work with the knowledge or intention that it may be represented as the work of another.

h. Sharing or disseminating tests, notes, slides, presentations, recordings, or any other material which is the intellectual property of an instructor or of the University without prior approval, when prohibited. This does not prohibit a Student from sharing his or her own papers, notes, or other written works in accordance with Article B.1.b.

i. Falsifying, misrepresenting, or fraudulently presenting academic work.

j. Using the work of another without giving proper credit and citation of source material using an approved style.

k. Attempting to obtain a grade or other academic credit through improper means or otherwise subverting the educational process by any means whatsoever.

l. Soliciting, assisting, concealing, or attempting any act of academic misconduct.

2. Standards Related to Persons

a. Sexual Misconduct

1) Sexual Abuse: Any sexual act, as defined in Regulation FGCU-PR1.003, Non-Discrimination, Anti-Harassment, and Sexual Misconduct, which includes rape, sexual assault, sexual battery, sexual exploitation, and other forms of non-consensual sexual activity directed against another person, by force, threat of force, or coercion without Consent, including instances where the person is
incapable of giving Consent.

2) Sexual Harassment: Unwelcome conduct of a sexual nature including unwelcome sexual attention, requests for sexual favors, or other verbal or physical conduct of a sexual nature from any person that is so severe, pervasive, or persistent that it limits a Student’s ability to participate in or benefit from an educational program. Sexual violence is a form of sexual harassment. For further information, refer to Regulation FGCU-PR1.003.

b. Acts of Violence

1) Physical Harm: Any action which causes physical harm to another person, or any attempted action which, if successful, would be reasonably foreseeable to result in physical harm to another person.

2) Dating Violence: An act of violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the Impacted Person. Dating violence includes, but is not limited to, sexual or physical abuse or threat of such abuse. Dating violence does not include the act of domestic violence.

3) Domestic Violence: An act of violence committed:
   
a) by a current or former spouse or Intimate Partner of the Impacted Person;

b) by a person with whom the Impacted Person shares a child in common;

c) by a person who is cohabitating with, or has cohabitated with, the Impacted Person as a spouse or Intimate Partner;

d) by a person similarly situated to a spouse of the Impacted Person under the domestic or family violence laws of the jurisdiction in which the crime of violence occurred; or

e) by any other person against an adult or youth Impacted Person who is protected from that person’s acts under judicial order.

4) Stalking: Two or more acts done by a person directly, indirectly, or through third parties, to follow, monitor, surveil, threaten, or communicate to or about another person, or interferes with that other person’s property such that a reasonable person similarly situated as that person, would feel threatened or distressed as a result of the acts.

5) Hazing:
   
a) Any action or situation, which occurs on or off University Premises, that
recklessly or intentionally endangers the mental or physical health or safety of a Student for purposes including, but not limited to, initiation or admission into or affiliation with an RSO, or other group of Students, whether or not officially recognized by the University. Hazing includes, but is not limited to, pressuring or coercing the Student into violating state or federal law; any brutality of a physical nature, such as whipping, beating, branding, exposure to the elements, forced consumption of any food, liquor, drug, or other substance; or other forced physical activity that could adversely affect the physical health or safety of the Student; and also includes any activity that would subject the Student to extreme mental stress, such as sleep deprivation, forced exclusion from social contact, forced conduct that could result in extreme embarrassment, or other forced activity that could adversely affect the mental health or dignity of the Student.

b) The following do not constitute a defense to allegations of hazing: the Consent, whether expressed or implied, of the Impacted Person had been obtained; the conduct or activity that resulted in the death or injury of a person was not part of any official organizational event or otherwise sanctioned or approved by the RSO, or other group of Students, whether or not officially recognized by the University; or the conduct or activity that resulted in the death or injury of an Impacted Person was not done as a condition of membership into an RSO or other group of Students, whether or not officially recognized by the University.

c) All provisions of section 1006.63, Florida Statutes, are applicable to an allegation of hazing.

6) Violent Disruption: Any violent action taken with the intent of disrupting any University function, action, or operation. This Code shall be applied in accordance with Regulations FGCU-PR9.001, Use of University Facilities, and FGCU-PR9.004, Public Expression and Assembly, and shall not be construed to restrict any right listed in these Regulations except as otherwise stated in this Code.

7) Threats: Any statement or action which either directly or indirectly communicates a threat of, or intent to commit, physical harm toward an individual, group, or organization.

8) Harassment: Conduct, including electronic or written communication, which is so severe or sufficiently persistent or pervasive, that it either undermines the roles of faculty and staff or so detracts from the educational experience of another Student such that a reasonable person, similarly situated, would be adversely affected to a degree that interferes with his or her ability to participate in, or realize the intended benefits of, employment, a University activity, or resource.
3. Standards Related to Property

a. Arson: Intentionally or recklessly causing a fire that does, or has a potential to, result in damage to property owned by another person, entity, or the University.

b. Vandalism, Damage, or Destruction of Property: Damage or defacing of University personal property or Premises, or the personal property of another person whether or not it is on University Premises, including the unauthorized damage or removal of decorations, flyers, signage, or other posted materials without authorization.

c. Trespassing: Unauthorized or attempted entry to, or continued presence on, University Premises, in any University room, building, facility, motor vehicle, trailer, or machinery without proper authorization or access.

d. Theft:
   1) Stealing: Taking property which belongs to another person, entity, or the University without authorization, payment, or express permission.
   2) Fraud: Using deception, forgery, counterfeiting, or other means to defraud another person, entity, or the University, of property.
   3) Sale or Possession of Stolen Property: Selling, attempting to sell, or having possession or control of any item that is known to be, or can reasonably be assumed to have been, stolen, or otherwise illegally obtained.

e. Public Urination or Defecation: Attempted or actual urination or defecation in any public space.


a. Weapons, Firearms, or Dangerous Materials:
   1) Possession, sale, storage, or use of explosives, ammunition, weapons, or other dangerous articles or substances including, but not limited to, tasers, switchblade knives, and non-lethal weapons, such as air soft, pellet, or bb guns or dangerous chemical, corrosive, biological, or radiological agents on University owned or affiliated property or at University sponsored or related activities.
   2) Possession or use of fireworks of any description, explosives, or chemicals, which are disruptive, explosive, corrosive, or radiological agents on University Premises or at University sponsored or related activities.
3) Violation of Regulation FGCU-PR9.005, Possession of Firearms and Weapons on University Property.

b. Threats to the Safety of Others:

1) Bomb Threats: Falsely reporting the existence of an explosive or incendiary device.

2) Tampering with Safety Equipment: Tampering with, disabling, or damaging alarms, cameras, defibrillators, electronic surveillance equipment, exit signs, extinguishers, fire sensors, first aid kits, pull stations, sprinklers, smoke detectors, or other safety equipment, including, but not limited to, propping open doors.

3) Tampering with Entries or Exits: Tampering with doors, door alarms, door locks, door handles, elevators, push bars, windows, window alarms, window locks, window screens, or other devices designed to provide entry, exit or security for any University building including, but not limited to, magnetic door release devices.

4) Misuse of Emergency Reporting Systems: Activating any emergency response system, including emergency call boxes, elevator call buttons, fire alarm pull stations, the 911 reporting system, or any other system designed for use in reporting an emergency, when no emergency exists.

5) Failure to Evacuate: Failing to evacuate any building after an alarm has been activated or Notice has otherwise been given of a fire, fire drill, false alarm, or other order to evacuate.

c. Controlled Substances:

1) Manufacture or Production: The manufacture or production of any controlled substance or related paraphernalia including, but not limited to, the manufacture or production of concentrates or edible goods containing controlled substances.

2) Distribution: The delivery or attempted delivery of any controlled substance or related paraphernalia. Attempted delivery may be established by the presence of paraphernalia commonly associated with distribution, by the manner in which the substances are packaged, or by the volume of the substance possessed.

3) Use or Possession: The use or possession of any controlled substance as defined by federal law unless prescribed to that Student in compliance with federal law.

4) Misuse of Medication: Knowingly misusing any legally prescribed medications or using non-prescription medications in a manner other than their directed use.

5) Paraphernalia: The possession of any item primarily intended for, designed for, or
which can be demonstrably linked to, the manufacture, sale, distribution, use, or possession of a controlled substance. Such items include, but are not limited to, bongs, bowls, grinders, pipes, scales, and vaporizers.

d. Alcohol:

1) Sale: The sale of alcohol either directly or indirectly without a license.

2) Providing Alcohol to a Minor: Purchasing, serving, supplying, or otherwise providing alcohol to a person under the legal age.

3) Possession or Consumption: Possessing, carrying, consuming, or being under the influence of alcohol while under the legal age or while on University Premises except as permitted in Regulation FGCU-PR9.002, Possession, Service, or Consumption of Alcohol, or its corresponding policy, FGCU Policy 4.002.

4) Driving While Under the Influence of Controlled Substance(s) or Alcohol: Citation for operation of a motor vehicle while impaired or with a blood alcohol test result above the applicable legal limit.

e. Disruptive Conduct: Behavior that disrupts the study, sleep, privacy, or safety, of University Community members on or off University Premises or any act that impairs, interferes with, or obstructs the University or any part thereof or the rights of other members of the University Community, including, but not limited to, obstructing or disrupting teaching, research, administrative, or public service functions.

f. Responsibility of Premises: Failure to maintain reasonable control of areas for which a Student is responsible, including assigned residence hall rooms, off campus apartments, houses, or other similar locations.

g. Use of Tobacco Products on University Premises: The use of tobacco products or smoking devices including vaporizers on University Premises in Violation of Regulation FGCU-PR9.007, Use of Tobacco Products and Consumption of Food on University Premises.

h. Gambling: Organizing or engaging in any game of chance for money or other gain on University Premises, including in University Housing, in violation of any federal, state, or local law, rule, regulation, or ordinance.

5. Standards Related to University Operations

a. Misuse of Resources: Use or misappropriation of University space, facilities, funds, supplies, equipment, labor, material, or other resources without authorization.
b. False Information: Knowingly providing false information to a University Official.

c. Providing False Information on an Application: Knowingly providing false information to the University for the purpose of gaining admission to the University.

d. Failure to Comply: Failure to comply with University regulations, policies, or lawful directives, including orders of no contact, of University Officials or law enforcement officers acting in the performance of their duties.

e. Misuse of University Documents: Forgery, alteration, or other misuse of University documents or records.

f. Misuse of ID Cards: Loaning, borrowing, altering, or replicating University, state or federal ID cards or other documents or failing to present or surrender a University ID card upon the request of a University or public official.

g. Misuse of Keys: Duplication, improper use, or unauthorized loaning of keys to any University Premises.

h. Amplified Sound: Use of amplified sound without prior authorization or in areas where amplified sound is prohibited by regulation, policy, or University posted sign.

i. Operating an Unregistered RSO: Engaging in organizational activities on behalf of an Organization which has been placed on organizational suspension or organizational expulsion, or operating an unregistered Student organization which represents itself as an RSO.

j.k. Campus Disturbances: Intentional interference with the educational operation of the University or any Violation of Regulation FGCU-PR9.004, Public Expression and Assembly, except as permitted by law.

j.k. Commercial Solicitation: Commercial solicitation on University Premises without prior approval from a University Official or any Violation of Regulation FGCU-PR9.006, Solicitation on Campus.

k.l. Computer Misuse and Telecommunications Resources:

1) Unauthorized access into a file to use, read, transfer, or change the contents, or for any other purpose.

2) Use of another individual’s identification or password without express authorization.

3) Use of computing facilities and resources to interfere with the work of another Student or University Official.
4) Any attempt to interfere with the normal operation of the University computing system.

5) Use of computing facilities and resources in Violation of copyright laws.

6) Use of the University e-mail system in Violation of FGCU Policy 3.021, Email, where that policy applies to Students.


6. Standards Related to the Administration of the Code

a. Failing to Comply with Interim Measures: Failure to comply with the requirements imposed in conjunction with an interim measure as described in Article C.

b. Retaliation: Adverse actions taken by or on behalf of the Respondent Student or Organization against an individual because of his or her participation in the Disciplinary Proceeding.

c. False Statements or Complaints: Making untrue or distorted statements, or omitting or misrepresenting information during proceedings under this Code, including knowingly initiating a false Complaint.

d. Discouraging a Complaint: Deterring or attempting to deter any person from filing a Complaint alleging a Violation of this Code.

e. Influencing a Witness: Any intentional act which attempts to discourage, interfere with, or otherwise alter or inhibit the testimony of any person identified as a Witness in any Adjudication under the Code.

f. Influencing a Hearing Officer: Any intentional act which attempts to intimidate or influence a Hearing Officer or other person Charged with administering any portion of this Code.

g. Subversion of the Process: Any intentional act by a Hearing Officer, SCC or RCC member, Appeals Officer, or other person Charged with administering any portion of this Code with intent to inappropriately influence any investigation, Adjudication, or appeal.

h. Noncompliance: Failing to comply with a sanction or any provision, limitation, or other restriction issued in conjunction with an ongoing or completed Adjudication.

7. Other Standards of Conduct
a. Aiding and Abetting: A person assisting in any Violation of this Code.

b. Complicity: To be associated with or to be present during the commission of any act by another that constitutes a Violation of University regulation or policy or if the behavior is considered to constitute permission, to contribute to, or to condone a Violation of a University regulation or policy.

c. Responsibility for Guest(s) of Student or Organization: Actions taken by a Guest shall be the responsibility of the host Student or RSO.

d. Alleged Violation of Local, State, or Federal Laws: Violation of any federal, state, or local law, rule, regulation, or ordinance.

e. University Designated Student Residence Violations: Violations of any policy or regulation governing University Housing, as well as the University Housing rental agreement, as described in the Housing and Residence Life Community Guidebook which are incorporated by reference into this Code.

C. Interim Measures

1. If the Dean of Students, or designee, has reasonable cause to believe a Student poses a serious and direct threat to the safety or well-being of one or more members of the University Community or to the continued effective operation of the University, an interim measure may be imposed to mitigate or remove the threat. Any interim measure is temporary and shall only be enforced until the completion of Adjudication.

2. Issuance of Interim Measures

   a. Upon Notice of a Student’s actions which pose a serious and direct threat to the safety or well-being of one or more members of the University Community or to the operation of the University or any of its functions, the Dean of Students, or designee, will base the decision to impose interim measures on the Student on all available information and determine what measure, if any, is appropriate to mitigate or remove a potential threat.

   b. Interim Measures for Students

      1) The decision to suspend the rights of a Student for an interim period will be communicated to the Student’s University e-mail account and will become effective upon Notice to the Student. This Notice will include the date, time, and location of the Hearing on the alleged Violations or on the basis of the interim measures. Failure or refusal to accept, access, or read the Notice will not invalidate or postpone this action, alter the date and time of the scheduled Hearing, or be considered as a basis for Appeal.
2) The University will maintain consistent contact with the parties to ensure that all safety, emotional, and physical well-being concerns are being addressed. The Dean of Students, or designee, in consultation with the Office of Institutional Equity and Compliance (OIEC) where an Impacted Person is involved, may place any appropriate restriction, limitation, or condition on a Student’s activity, including, but not limited to, banning a Student from or limiting a Student from accessing any or all areas of University Premises; limiting a Student’s access to University services; restricting or denying a Student’s participation in University sponsored activities; and issuing an order of no contact with respect to University Officials or Students on University Premises or at University-sponsored events; or requiring or prohibiting certain specified activities.

3) Interim measures shall remain in effect until a final decision has been made on the Complaint or until the Dean of Students, or designee, determines that the reason for imposing an interim measure no longer exists, or in accordance with C.4.c.

4) In cases which are being investigated under Article D.3, the University will provide to the alleged Impacted Person copies of all correspondence related to the interim measures sent to the Respondent Student that relate to the alleged Impacted Person, take steps to prevent the recurrence of any harassment, correct any discriminatory effects on the Complainant and other alleged Impacted Persons, and may implement interim measures as are appropriate and as required by law, which may include those listed above as well as other remedial measures as listed in Article D.3.

5) If an interim measure implemented is a suspension, which lasts for more than ten (10) Days, but the Student is subsequently found not responsible for the Violation, the Student shall be refunded a pro-rata portion of any charges for tuition and out-of-state fees, as appropriate.

3. Interim Measures for Organizations

a. The decision to suspend the rights of an Organization for an interim period will be communicated via email to the president of the Organization to his or her University email account and will become effective upon Notice to the Organization. This Notice will include the date, time, and location of a meeting to discuss the alleged Violations and a timeline for investigation and Adjudication. Failure or refusal to accept, access, or read the notification will not invalidate or postpone this action, alter the date and time of the Adjudication, or be considered as a basis for appeal.

b. The Dean of Students, or designee, may place any appropriate restriction, limitation, or condition on an Organization’s activity, including, but not limited to, an immediate ban of all activities, programs, social events, funding requests, and budget expenditures of the Organization. If an interim suspension is upheld on appeal, the Organization may petition the Dean of Students, or designee, to be allowed to
conduct business meetings while awaiting Adjudication of the alleged Violation of the Code.

c. Interim measures shall remain in effect until a final decision has been made on the Complaint or until the Dean of Students, or designee, determines that the reason for imposing an interim measure no longer exists, or in accordance with C.4.c.

d. In cases which are being investigated under Article D.3., the University will provide copies to the Impacted Person of all correspondence sent to the Respondent Organization, take steps to prevent the recurrence of any harassment, correct any discriminatory effects on the Complainant and other Impacted Persons, and may implement interim measures as are appropriate and as required by law, which may include those listed above as well as other remedial measures as listed in Article D.3.

4. Appeals of Interim Measures

a. An appeal may be submitted at any time during the period of the interim measures.

b. An appeal of any interim measures will be heard by the Vice President for Student Success and Enrollment Management, or designee, within three (3) Days of receipt of an appeal by the Office of Student Conduct. The appeal may be delayed due to a semester break or closing of the University. The appeal of the interim measure must be based upon one of the following:

1) An egregious error pertaining to the Respondent Student or Organization’s involvement; or

2) A contention that the Violation, even if proven, does not pose a threat to the safety or well-being of one or more members of the University Community, or to the continued effective operation of the University.

c. If it is determined by the Vice President for Student Success and Enrollment Management, or designee, that an interim measure is not appropriate, the Respondent Student or Organization’s status will be reinstated pending Adjudication under the relevant procedures as described in Article D of the Code.

d. The Vice President for Student Success and Enrollment Management, or designee, at his or her discretion, may modify or impose a less restrictive interim measure as an outcome of an appeal.

D. Procedures for Adjudication

1. Generally Applicable Procedures

a. Administrative Process: The Code is an administrative rather than a judicial process and as such, legal concepts, definitions, limits, objections, processes, procedures,
regulations, and standards, including the Florida Evidence Code, the Florida Rules of Civil Procedure, and the Florida Rules of Criminal Procedure do not apply unless otherwise expressly noted in this Code or required by law. The Adjudication of an alleged Violation of the Code will be conducted without regard for concurrent legal proceedings or timelines.

b. Timeliness of Reporting: All allegations of Violations of the Code must be reported within six (6) months of the date the alleged Violation occurred, except in cases which are alleging a Violation of Articles B.2.a., B.2.b.2., B.2.b.3., B.2.b.4., and B.2.b.5. for which there is no time limit. This limit may be waived in writing by the Dean of Students for good cause. However, in no case, except those identified above, will an alleged Violation be Charged more than six (6) months after a University Official becomes aware of the Violation and the identity of the Respondent.

c. Deviations from Established Procedures: The procedures in the Code are designed to promote fairness and will be adhered to as faithfully as possible. If exceptional circumstances necessitate deviation from these procedures, such deviation shall not invalidate the outcome of the process unless the fundamental right to a fair Hearing or another legal right has been denied.

d. Standard of Proof: The standard of proof necessary for a determination that a Violation of any provision of this Code has occurred is a preponderance of the evidence. This means the information presented supports the finding that the Violation more likely than not occurred. All Hearings shall be conducted on the basis that the Respondent Student or Organization is not in violation. The burden of proof shall not be upon the Respondent Student or Organization who is subject to the Hearing.

e. Enrollment During Adjudication: Except as noted in Article C, the Student’s enrollment status shall remain unchanged pending the University’s final decision in the matter. The Adjudication process shall continue without regard to a Student’s decision to withdraw from classes at any point between the alleged Violation and the final decision. In the event that a Student has withdrawn from the course prior to the completion of Adjudication, and is found responsible for an Academic Integrity Violation, the Student will be restored to the class roster and a Hold will be placed which will prevent the Student from withdrawing from the course in question. All pending disciplinary matters for a Respondent Student must be resolved prior to the awarding of any degree or certificate. The University will not unreasonably delay the resolution of outstanding disciplinary matters when a Respondent Student has completed all requirements for the awarding of his or her degree or certification.

f. Freedom From Self-Incrimination: No participant in the Adjudicative process, including the Respondent Student or Organization, Impacted Person, or Witness will be required to present testimony that is self-incriminating. The option of a Respondent Student or Organization to avail themselves of this provision will not be
considered as an admission of responsibility. The University will proceed, without
guard for a Student’s choice to invoke this provision, to make a determination as to
responsibility based upon the information available at the time of the Hearing. A
Student’s choice to omit information in relation to this provision will not be
considered as grounds for appeal under Article F.

g. Advisors

1) The Respondent Student or Organization may have, at his or her own expense and
initiative, one Advisor present at all meetings and official proceedings. The
Student is responsible for completing all required documentation including a
Release of Education Records to a Third Party, with the Office of Student
Conduct, should they wish their Advisor to have access to their records.

2) Students must provide Notice to the University if they choose to use an attorney
as an Advisor at least two (2) Days prior to the Hearing. If this Notice is not
provided, the Student may be required to select a non-attorney Advisor or proceed
without an Advisor.

3) The Advisor may be present, but shall not speak for, or present the case for, the
Student or otherwise participate directly in the meeting or proceeding. An Advisor
may not provide a statement as a Witness.

4) It is the Student’s responsibility to make appropriate arrangements for the Advisor
to attend the Hearing. A Hearing will not be delayed or rescheduled based on the
unavailability of an Advisor.

5) The University will directly communicate with the Respondent Student or
Organization about the case. It is the responsibility of the Respondent Student or
Organization to relay information about the case to his or her Advisor in the
Adjudicative process.

h. Witnesses

1) The University may request the attendance at a Hearing of any Witnesses who
may have information regarding the alleged Violations. The names of all
requested Witnesses will be included in the record of the Adjudication.

2) A Respondent Student or Organization may call Witnesses to speak on their
behalf. Notice of the names of Witnesses is not required for Administrative
Hearings.

3) A Witness must have actual knowledge pertaining to the alleged Violations. A
Witness who can only provide second-hand information or who is speaking only
to the character of the Respondent Student or Organization or to the character of
any party will not be allowed to present information.

4) Cross-questioning of Witnesses will occur at the sole discretion of the SCC or RCC chair or Hearing Officer, who may place reasonable restrictions on the subject matter, length and format of questioning. If the chair denies a request to cross-question a Witness, a reason for the decision will be provided either in writing or verbally on the official recording, and placed in the conduct record for the case under Adjudication.

5) At the request of the Respondent Student or Organization, a Witness may be questioned, or at the discretion of the Hearing Officer or Dean of Students, or designee, Witness statements may be taken at a different time or location from the Hearing or may be submitted in writing. In such cases, a video or audio recording or copy of written statements will be made available to the Respondent Student or Organization.

6) The failure or refusal of a Witness to present information at a Hearing, following a request by the Respondent Student or Organization or the University, shall not be grounds for appeal or delay of the Hearing unless the name or existence of the Witness was not available to both the Hearing Officer and the Respondent Student or Organization.

2. Adjudication of Cases of Academic Integrity Violations

When a faculty member believes there to be sufficient evidence that an academic integrity Violation may have occurred, the following procedures will apply.

a. Determination of Prior Record: The faculty member of record will contact the Office of Student Conduct via email with the Student’s name and University Identification Number (UIN) to determine if the Student has a prior academic integrity Violation. Only emails sent from the faculty’s University email account can be accepted.

b. Resolution by Faculty Hearing

1) In cases where the Student does not have a prior history of academic integrity Violations, the faculty member of record for the class communicates with the Respondent Student and informs him or her of the allegations against them and initiates a meeting with the Student to discuss the allegation. This meeting will include a review of the Charges, evidence, and proposed sanction(s). This meeting can take place in person or through any form of electronic means which are mutually agreed upon by the Student and faculty member.

2) If, following this meeting, the faculty member determines that there is insufficient evidence to move forward with the case, the faculty will notify the Office of Student Conduct of this resolution for tracking and statistical purposes by
completing the Faculty Referral and Summary Adjudication form.

3) If the Respondent Student accepts responsibility for the academic integrity Violation, the faculty member will ensure that the Student completes the Student Responsibility for Faculty Summary Resolution of Academic Integrity Violation form and the Student will receive an academic sanction determined by the faculty member of record, which may include a failing grade in the class. After completing this meeting, the faculty member completes the Faculty Referral and Summary Adjudication form. The completed Faculty Referral and Summary Adjudication form is then submitted to the Office of Student Conduct to be included in the Student’s conduct file and the matter will be considered resolved.

4) If a faculty resolution between the faculty member and the Student cannot be reached, the faculty member will refer the matter to the Office of Student Conduct for resolution under the procedures listed below.

c. Faculty Referral

1) If the allegations are complex or egregious in nature, the alleged Violation is not limited to a single course, the Student has previously been found to have committed an academic integrity Violation or if, after the faculty member of record communicates with and informs the Student of the allegation against him or her, the Student denies responsibility for the alleged Violations, the faculty member will meet with the Student to inform them that the matter is being referred to the Office of Student Conduct and will complete a Faculty Referral/Summary Adjudication form and submit the form to the Office of Student Conduct. The matter will be addressed by the Office of Student Conduct which will coordinate an academic integrity Hearing. The Office of Student Conduct will investigate the allegation and coordinate the Hearing process through the AIC.

2) In cases which are determined to be complex, involve allegations of academic integrity Violations in multiple courses, or which may involve multiple Students alleged of collaborating in one or more Violations, at the discretion of the Dean of Students, the University may determine the type of Hearing to be utilized in resolving the case.

d. Academic Integrity Committee Hearing Process

1) The Respondent Student shall receive written Notice of the date, time, and location of the AIC Hearing. This Notice will include the name and UIN of the Respondent Student, the date and approximate location of the alleged Violation, if available, a listing of the alleged Violations of the Code, and contact information for the Hearing Officer or Facilitator of the committee reviewing the case. Additionally, the Notice will include specific references to the applicable section
of the Code, the procedures to be used in adjudicating the Violation, and the rights of the Respondent Student.

2) The AIC will hear the case and make a determination of whether there is a preponderance of information to find the Respondent Student responsible for academic integrity Violations. If the AIC is unable to come to a majority decision on any Charge, a finding of not responsible will be entered for that Charge.

3) The Dean of Students will receive the decision of the AIC, and if there is a determination of responsibility, the recommended sanctions of the AIC. The Dean of Students may modify or alter the recommended sanctions, at his or her discretion, but shall provide a written explanation of the modifications. The outcome letter shall include the determination of responsibility, the recommended sanctions, as well as any modifications or alteration of the recommended sanctions, which shall be sent to the Respondent Student and faculty of record within five (5) Days of the date of the Hearing.

4) After the determination by the Dean of Students, as needed, the faculty of record will assign the Student a final grade (which may include a failing course grade). The faculty member will then, if necessary, process the appropriate grade change with the Office of Records and Registration.

5) The Respondent Students has the right to appeal a decision of the AIC in accordance with the appeal procedure provided for in Article F.

6) In the event that the AIC fails to have quorum, or if it is impractical to convene the AIC within a reasonable period of time due to circumstances outside the control of the Office of Student Conduct, the case may be heard and decided by the Dean of Students, or designee.

e. Academic Integrity Committee Composition: The AIC is coordinated by the Office of Student Conduct to resolve cases of alleged Academic Integrity referred by the faculty. It is comprised of faculty and Students as follows:

1) The Assistant Dean of Students for Student Conduct, or designee, serves as Facilitator to the AIC to coordinate the Hearing process and to assist the committee in conducting the Hearing in accordance with this Code. The Facilitator will not ask questions during the process, will not participate in deliberations, and will not vote on the final outcome.

2) When a Respondent Student or Organization is referred for a Hearing, the Office of Student Conduct or University Housing convenes a committee from the pool of faculty and Student members of the University Community to service on the AIC.

3) The chair of each Hearing will be selected from the AIC members comprising the AIC for that case and shall serve as a voting member.
f. If a Student is found responsible for a Violation of academic integrity, a Hold will be placed on the Student’s account preventing the Student from withdrawing from the course and the Student will not be eligible to utilize the grade forgiveness process for the course. In the event the Student has withdrawn from the course prior to the completion of Adjudication, the Student will be restored to the class roster. The faculty member is responsible for notifying the Student that he or she has been reenrolled in the course.

3. Provisions Related to Adjudications Involving Impacted Persons: At no time in any Disciplinary Proceeding will the prior conduct, including sexual conduct, of an Impacted Person be considered, evaluated, questioned, or reviewed except as it may relate directly to interactions between the Respondent Student or Organization and Impacted Person in the context of the alleged Violation. The Dean of Students or designee, may at his or her discretion, choose not to pursue Charges against Impacted Persons for Violations of Code, including, but not limited to, standards relating to alcohol or drug use.

a. Charges

When the Office of Student Conduct receives information from any source which alleges that a Violation of one of the standards in this section has occurred, the Office of Student Conduct will receive this information, as well as any other information which may be available, and forward this information to the OIEC for review. The OIEC shall review the information, complete its investigative process, and shall notify the Office of Student Conduct of the following outcomes:

1) Insufficient Information for Charges: In cases where the OIEC has determined that there is not sufficient information that any Violation of standards of conduct addressed in Articles B.2.a., B.2.b.2., B.2.b.3., B.2.b.4., and B.2.b.5. of the Code has occurred, the case will be reviewed by the Office of Student Conduct and, if other potential Violations of the Code are present, the Office of Student Conduct may initiate the Adjudication process. If there is insufficient information to support allegations that other Violations occurred, the report will be closed without Charges.

2) Sufficient Information for Charges: In cases where the OIEC has determined that there is sufficient information that one or more Violation of standards of conduct addressed in Articles B.2.a., B.2.b.2., B.2.b.3., B.2.b.4., and B.2.b.5. of the Code has occurred, all information, including an investigative report, will be communicated to the Office of Student Conduct for Adjudication.

3) No Charges to Be Filed: If an Impacted Person has requested that the alleged Violations of the Code not be Adjudicated and, after an analysis of the totality of the circumstances, the OIEC agrees with the course of action, the Office of Student Conduct will close the case without Charges.
b. Notice and Scheduling of Disciplinary Proceedings

1) The Respondent Student or Organization and Impacted Person will be given Notice of the alleged Violation(s) of the Code through e-mail to their University-issued email address.

2) The Notice will include the name and UIN of the Respondent Student or Organization, the date and approximate location of the alleged Violation, if available, a listing of the alleged Violations of the Code, and contact information for the Hearing Officer reviewing the case. Additionally, the Notice will include specific reference to the applicable section of the Code, the procedures to be used in adjudicating the Violation, and the rights of the Respondent Student or Organization and Impacted Students.

3) The Notice will also inform the Respondent Student or Organization and Impacted Person of the date, time, and location for a Hearing to resolve the matter. This Hearing will be scheduled at least five (5) but no more than fifteen (15) Days from the date of the Notice and will be scheduled to avoid conflicting with any registered class, examination, or other academic commitment. Other conflicts may be accommodated at the discretion of the Hearing Officer.

4) The Respondent Student or Organization and Impacted Person may request to be notified of the selection of the Hearing Officer for the case and shall have the opportunity to challenge the impartiality of the individual. The Respondent Student or Organization and Impacted Person shall state via email the basis for such challenge at least two (2) Days prior to the Hearing date. The Dean of Students, or designee, shall determine whether the Hearing Officer is impartial and reassign the Hearing to another Hearing Officer, if appropriate.

5) The Respondent Student or Organization and Impacted Person will have the right to request a conduct review conference be scheduled prior to the scheduled date of the Hearing. The purpose of this conference will be to allow the Respondent Student or Organization and Impacted Person to discuss the Charges, their rights and options in the Hearing process, and to inspect any and all documents and information relating to the Charges. Separate meetings will be scheduled for each party.

6) The Respondent Student or Organization and Impacted Person will have the right to reschedule the Hearing to another, mutually agreeable date. The meeting must be rescheduled within thirty (30) calendar days of the date of the original Notice. The process will not be postponed exclusively to accommodate requests for records not held by the Office of Student Conduct.
7) At any point, up to the date and time of the Hearing scheduled in the original Notice, or the date and time of the rescheduled Hearing, if applicable, the Respondent Student or Organization or Impacted Person may file a request to have the Hearing heard by the SCC. If the Respondent Student or Organization or the Impacted Person, object to this request, the Hearing will continue with an Administrative Hearing. If an SCC Hearing is scheduled, all parties shall have the opportunity to challenge the impartiality of the SCC members, subject to the procedures set forth in Article D.3.b.4).

8) At the request of the Respondent Student or Organization or Impacted Person, any party may participate in the Disciplinary Proceedings remotely, either through the use of written statements via email, or through other telephonic or technological means which are mutually agreeable to the requesting party and the Dean of Students, or designee.

9) If the Respondent Student or Organization or Impacted Person fails to appear at the Hearing at the date, time, and location listed in the Notice, does not avail themselves of their rights under Articles D.3.b.5 and D.3.b.6., or does not appear at any other scheduled or mutually agreed upon Hearing, the Hearing will be held in their absence.

c. Administrative Hearings

1) All Administrative Hearings will be digitally recorded by the Hearing Officer where the Respondent Student or Organization has the potential for receiving a sanction of suspension or expulsion from the University and will serve as the sole official verbatim record of the Disciplinary Proceeding. Any other recordings, including videotaping, of any Hearing is prohibited except to the extent necessary to facilitate Witness statements or the remote participation of one or more parties through technological means.

2) During the Hearing, the Respondent Student or Organization and Impacted Person may present any information which they believe to be relevant to the alleged Violations of the Code. The Respondent Student or Organization, the Impacted Person, and the University will also be permitted to present any Witnesses they believe to be relevant, subject to the limitations described in Article D.1.h. The Hearing Officer will also have the opportunity to ask any questions which he or she believes to be relevant.

3) All cross-questioning between the Respondent Student or Organization and Impacted Person will be through the submittal of questions in writing to the Hearing Officer who will have discretion as to which questions, if any, will be asked, and who will exercise discretion in selecting questions that are relevant, appropriate, not duplicative, and do not violate the rights afforded under the Code to the individual being questioned. All questions submitted will be included in the
record for the Hearing.

4) At the request of the Respondent Student or Organization or Impacted Person, the Hearing Officer may consider structuring the Hearing in such a manner that neither party is physically present in the same location at the same time, using telephonic, technological, or other means.

5) Previously unknown or undisclosed information that concerns potential Violations of the Code obtained in a Hearing may result in additional Charges and potentially result in another Hearing. If it is mutually agreed to by the Respondent Student or Organization and the Hearing Officer, this new Hearing may be waived, in writing, by the Respondent Student or Organization and the additional Charges disclosed in the current Disciplinary Proceeding may be addressed in the current Disciplinary Proceeding.

6) Previous Violations and Impacted Persons statements are to be considered only in the sanction phase of deliberations.

7) In cases where multiple Students and/or Organizations are Charged, information provided at one Hearing may be used as evidence in the related cases(s). When the Hearing Officer determines the facts and circumstances of an incident involving more than one individual are interrelated, a Hearing Officer may join the individual cases into one case in order to expedite it and to share evidence. However, the written agreement of all Respondent Students or Organizations and Impacted Persons in the case must be obtained to join the cases and in no instances will cases of sexual misconduct be joined with a case not involving sexual misconduct.

8) After the conclusion of the Hearing, the Hearing Officer will communicate the outcome of the Adjudication in writing to the Respondent Student or Organization and Impacted Person within five (5) Days of the date of the Adjudication. The notification of outcome will inform the parties of both the findings of the Adjudication and any sanctions which have been imposed, as well as the completion or due date of each sanction. In situations of multiple Respondent Students or Organizations related to a single or series of incidents, the outcome of the Hearings may be communicated within five (5) Days of the last Respondent Student or Organization’s Hearing.

d. Hearings by the Student Conduct Committee

1) SCC Composition

   a) The Dean of Students, or designee, shall appoint a Facilitator to the SCC to coordinate the Hearing process and to assist the SCC in complying with the Hearing procedures under the Code. The Facilitator will not ask questions
during the Disciplinary Proceeding, will not participate in deliberations, and will not vote on the final outcome.

b) When a Student or Organization is referred for a Hearing, the Office of Student Conduct convenes a SCC from the pool of members of the University Community who have received specialized training in this type of Hearing to serve on the SCC.

c) The chair of each Hearing will be selected from the committee members comprising the SCC and shall serve as a voting member. At no time shall less than fifty percent (50%) of the voting members be students.

d) All SCC Hearings will be digitally recorded by the Facilitator. This recording will serve as the sole official verbatim record of the Disciplinary Proceeding. Any other recordings, including videotaping, of any Hearing is prohibited except by an authorized University Official, to the extent necessary to facilitate Witness statements or the remote participation of one or more parties through technological means.

e) During the Hearing, the Respondent Student or Organization will be given an opportunity to accept or deny responsibility for each Charge and the Respondent Student or Organization and Impacted Person will be given an opportunity to present any information that they believe to be relevant to the alleged Violations of the Code. Both the Respondent Student or Organization, Impacted Person, and the University will also be permitted to present any Witnesses they believe to be relevant, subject to the limitations described in Article D.1.h. The SCC members will also have the opportunity to ask questions, subject to the discretion of the chair.

f) All cross-questioning between the Respondent Student or Organization and Impacted Person be through the submittal of written questions submitted to the chair who will have sole discretion as to which questions, if any, will be asked. All questions submitted will be included in the record for the Hearing.

g) At the request of the Respondent Student or Organization and Impacted Person, the chair may structure the Hearing in such a manner that neither party is physically present in the same location at the same time, using telephonic, technological, or other means, as determined appropriate by the chair.

h) The chair may limit the length of testimony of any Witness or participant in the Hearing if the information is redundant or irrelevant to the case.

2) Deliberations

a) All persons are excused from the Hearing room for deliberations, except the SCC and the Facilitator. The Facilitator does not participate in the
b) The SCC considers only information introduced in the Hearing. The decision of responsibility is based on whether the preponderance of information presented supports a decision that the alleged Violation more likely than not occurred, and is decided by a simple majority vote. In cases of a tie, the decision will be made in favor of the Respondent Student or Organization that the Respondent Student or Organization is not responsible.

c) Previous Violations and Impacted Person statements are to be considered only in the sanctioning phase of deliberations.

d) The decision of the SCC as to responsibility of the Respondent Student or Organization for the alleged Violations and recommended sanctions is given, in writing, to the Facilitator and then to the Dean of Students, or designee.

e) The Dean of Students, or designee, may modify or alter the recommended sanctions, at his or her discretion, but shall provide a detailed explanation of the modifications, to include the assigned sanctions and the rationale for any and all alterations, in the outcome letter.

f) Following the Hearing, the Dean of Students, or designee, will communicate the outcome of the Adjudication in writing to the Respondent Student or Organization and Impacted Person, if one is present in the case, within five (5) Days of the date of the Adjudication. The notification of outcome will inform the Respondent Student or Organization of both the findings of the Adjudication and each sanction which has been imposed as well as the completion or due date of each sanction, if applicable. In situations in which multiple Respondent Students or Organization have been found responsible for Violations of the Code related to a single or series of related incidents, the outcome of the Hearings may be communicated within five (5) Days of the last Respondent Student or Organization’s Hearing.

g) The Respondent Student or Organization has the right to appeal a decision of the chair of the SCC in accordance with the appeal procedure described in Article F.

h) Any participant, including a Respondent Student or Organization and Impacted Person, or an Advisor, determined by the SCC to be unruly or disruptive to the Disciplinary Hearing, will be removed from the Hearing. The Hearing will continue in their absence and their removal from the Hearing will not be considered grounds for appeal.

i) If it is impractical to convene a quorum of the SCC within a reasonable period of time due to circumstances outside the control of the University, the case
may be heard and decided by a Hearing Officer, unless objected to by the Respondent Student or Organization or Impacted Person.

4. Procedures for Adjudication of all Other Alleged Misconduct

a. Charges

When the Office of Student Conduct receives information from any source which indicates that a Violation of the Code may have occurred, the Office will review this information, as well as any other information which may be available. Upon review, if it is determined that there is sufficient information to indicate that a Code Violation may have occurred and to indicate that one or more Students or Organizations may have been involved, in any manner, Charges may be filed by the University and Notice will be provided to the Respondent Student or Organization consistent with this Code.

b. Notice and Scheduling of Disciplinary Proceedings

1) The Respondent Student or Organization will be given Notice of the alleged Violation(s) of the Code through e-mail to their University-issued email address.

2) The Notice will include the name and UIN of the Respondent Student or Organization, the date and approximate location of the alleged Violation, if available, a listing of the alleged Violations of the Code, and contact information for the Hearing Officer reviewing the case. Additionally, the Notice will include specific reference to the applicable section of the Code, the procedures to be used in adjudicating the Violation, and the rights of the Respondent Student or Organization and Impacted Students.

3) The Notice will also inform the Respondent Student or Organization of the date, time, and location for a Hearing to resolve the matter. This Hearing will be scheduled at least five (5) but no more than fifteen (15) Days from the date of the Notice and will be scheduled to avoid conflicting with any registered class, examination, or other academic commitment. Other conflicts may be accommodated at the discretion of the Hearing Officer.

4) At the discretion of the Dean of Students, or designee, a case may be directly assigned to the SCC or RCC for Adjudication.

5) The Respondent Student or Organization may request to be notified of the selection of the Hearing Officer or SCC or RCC members for the case and shall have the opportunity to challenge the impartiality of the individual(s). The Respondent Student or Organization shall state via email the basis for such challenge at least two (2) Days prior to the Hearing date. The Dean of Students, or designee, shall determine whether the challenge is valid. If the challenge is found valid and is accepted, the Hearing will be reassigned to another Hearing Officer or
the committee member removed, as appropriate.

6) The Respondent Student or Organization will have the right to request a conduct review conference be scheduled prior to the scheduled date of the Hearing. The purpose of this conference will be to allow the Respondent Student or Organization to discuss the Charges, their rights and options in the Hearing process, and to inspect any and all documents and information relating to the Charges.

7) The Respondent Student or Organization will have the right to reschedule this Hearing to another, mutually agreeable date. The meeting must be rescheduled within thirty (30) calendar days of the date of the original Notice. The process will not be postponed exclusively to accommodate requests for records or documents not held by the Office of Student Conduct.

8) At any point, up to the date and time of the Hearing scheduled in the original Notice, or the date and time of the rescheduled Hearing, if applicable, the Respondent Student or Organization may notify the Hearing Officer that they wish to exercise their right to have the Hearing held before the SCC or RCC.

9) At the request of the Respondent Student or Organization, any Disciplinary Proceeding may be held remotely, either through the use of written statements via email, or through other telephonic or technological means which are mutually agreeable to the Dean of Students, or designee, and the Respondent Student or Organization.

10) If the Respondent Student or Organization fails to appear at the Hearing at the date, time, and location listed in the Notice, does not avail themselves of their rights under Articles D.4.b.6) and D.4.b.7), or does not appear at any other scheduled or mutually agreed upon Hearing, the Hearing will be held in their absence.

c. Administrative Hearings

1) All Administrative Hearings will be digitally recorded by the Hearing Officer where the Respondent Student or Organization has the potential for receiving a sanction of suspension or expulsion from the University and will serve as the sole official verbatim record of the Disciplinary Proceeding. Any other recordings, including videotaping, of any Hearing is prohibited except to the extent necessary to facilitate Witness statements or the remote participation of one or more parties through technological means.

2) During the Hearing, the Respondent Student or Organization may present any information which they believe to be relevant to the alleged Violations of the Code. The Respondent Student or Organization and the University will also be
permitted to present any Witnesses they believe to be relevant, subject to the limitations described in Article D.1.h. The Hearing Officer will also have the opportunity to ask any questions which he or she believes to be relevant.

3) Previously unknown or undisclosed information that concerns potential Violations of the Code obtained in a Hearing may result in additional Charges and potentially result in another Hearing. If it is mutually agreed to by the Respondent Student or Organization and the Hearing Officer, this new Hearing may be waived, in writing, by the Respondent Student or Organization and the additional Charges disclosed in the current Disciplinary Proceeding may be addressed in the current Disciplinary Proceeding.

4) Previous Violations and Impacted Persons statements, are to be considered only in the sanction phase of deliberations.

5) In cases where multiple Students and/or Organizations are Charged, information provided at one Hearing may be used as evidence in the related cases(s). When the Hearing Officer determines the facts and circumstances of an incident involving more than one individual are interrelated, a Hearing Officer may join the individual cases into one case in order to expedite it and to share evidence. However, the written agreement of all Respondent Students or Organizations and Impacted Persons in the case must be obtained to join the cases and in no instances will cases of sexual misconduct be joined with a case not involving sexual misconduct.

6) After the conclusion of the Hearing, the Hearing Officer will communicate the outcome of the Adjudication in writing to the Respondent Student or Organization within five (5) Days of the date of the Adjudication. The notification of outcome will inform the parties of both the findings of the Adjudication and any sanctions which have been imposed as well as the completion or due date of each sanction. In situations of multiple Respondent Students or Organizations related to a single or series of incidents, the outcome of the Hearings may be communicated within five (5) Days of the last Respondent Student or Organization’s Hearing.

d. Hearings by the Student Conduct Committee or Residential Conduct Committee

1) Committee Composition

a) The Dean of Students, or designee, shall appoint a Facilitator to the SCC or RCC to coordinate the Hearing process and to assist the committee in conducting a Hearing consistent with the procedures contained in the Code. The Facilitator will not ask questions during the Hearing, will not participate in deliberations, and will not vote on the final outcome.

b) When a Student or Organization is referred for a Hearing, the Office of
Student Conduct or University Housing convenes a committee from the pool of members of the University Community to serve on the SCC or RCC.

c) The chair of each Hearing will be selected from the committee members comprising the SCC or RCC and may serve as a voting member. At no time shall less than fifty percent (50%) of the voting members be students.

2) All SCC Hearings will be digitally recorded by the Facilitator and official notes of RCC Hearings will be taken by the Chair. This will serve as the sole official verbatim record of the Disciplinary Proceeding. All other recordings, including videotaping or audio recordings, of any Hearing is prohibited except to the extent necessary to facilitate Witness statements or the remote participation of one or more parties through technological means.

3) During the Hearing, the Respondent Student or Organization will be given an opportunity to:

   a) accept or deny responsibility for all Charges;
   b) present an opening statement;
   c) present Witnesses and question any Witnesses presented by either side subject to the limitations described in Article D.1.h.;
   d) respond to questions presented by committee members; and
   e) present a closing statement.

4) The chair may limit the length of testimony of any Witness or participant in the Hearing if the information is redundant or irrelevant to the case.

5) Deliberations

   a) All persons except the SCC/RCC members and the Facilitator are excused from the deliberations. Deliberations are not recorded.
   b) The SCC/RCC considers only information introduced in the Hearing. The standard of proof necessary for a determination that a Violation of any provision of this Code has occurred is a preponderance of the evidence. This means that the information presented supports the finding that is more likely than not that the Violation occurred and is decided by a simple majority vote. In cases of a tie, the decision will be made in favor of the Respondent Student or Organization.
   c) Prior records of disciplinary action, Impacted Person statements, and past
criminal convictions are considered by the SCC/RCC only in the sanctioning phase of deliberations, if the Student is found responsible.

d) The decision of the SCC/RCC as to responsibility of the Respondent Student or Organization for the alleged Violations and recommended sanctions is given, in writing, to the Facilitator and then forwarded to the Dean of Students or designee.

6) The Dean of Students, or designee, will receive the determination of responsibility of the SCC or RCC as well as the recommended sanctions. The Dean of Students, or designee, may modify or alter the recommended sanctions, at their discretion, and shall provide an explanation of the modifications, in the outcome letter.

7) The Dean of Students, or designee, will communicate the outcome of the Adjudication in writing to the Respondent Student or Organization within five (5) Days of the date of the Adjudication. The notification of outcome will notify the Respondent Student or Organization of both the findings of the Adjudication and any sanctions which have been imposed as well as the completion or due date of each sanction. In situations in which multiple Respondent Students or Organization related to a single or otherwise related incident, the outcome of the Hearings may be communicated within five (5) Days of the last Respondent Student or Organization’s Hearing.

8) Respondent Students or Organizations have the right to appeal a decision of the SCC or RCC in accordance with the appeal procedure described in Article F.

9) Any participant, including Respondent Student or Organization or an Advisor, if determined by the chair of the SCC or RCC to be unruly or disruptive to the Hearing, will be removed from the Hearing. The Hearing will continue in their absence and the removal will not be considered grounds for appeal.

10) In the event that the SCC or RCC fails to reach quorum, or if it is impractical to convene the SCC or RCC within a reasonable period of time due to circumstances outside the control of the University, the case may be heard and decided by an appropriate Hearing Officer, including the Facilitator.

5. Waiver of Certain Rights: A Student may voluntarily waive one or more rights, including, but not limited to, the right to a Hearing, the right to call Witnesses, or the right to an Advisor, in order to take part in an expedited Hearing process. The choice to waive or exercise any right granted under this Code shall not affect the outcome of the Hearing or any sanctions, if applicable, and is not grounds for appeal.

E. Sanctioning

The Dean of Students, or designee, may impose one or more of the following sanctions upon
any Respondent Student or Organization being found to be responsible for a Violation of the Code.

1. Academic Sanctions

   a. Academic Reprimand: A written warning that behaviors exhibited are inconsistent with the values and standards set forth by the University and are not acceptable behavior for Students of the University and that any penalties assessed by the faculty member are sufficient to address the Violation.

   b. Recommended Adjustment of Course Grade: A recommendation to the faculty member of record that the AIC finds reduction in letter grade for the course in which a Violation occurred is appropriate.

   c. Recommended Failure of a Course: A recommendation to the faculty member of record that the AIC finds a grade of F assigned for the course in which the Violation occurred is appropriate.

   d. Educational Sanction: Following an Academic Integrity Hearing, the Dean of Students, or designee, may impose any educationally based sanction, including but not limited to, those detailed in Article E.2.b.

   e. Suspension: A period of time, not to exceed three (3) years, when a Student may not attend classes or participate in University related activities, whether the class or activity occurs on or off University Premises. The University Registrar, or designee, is instructed to place a Transcript Overlay on the Student’s transcript during the period of suspension indicating the period of suspension. Further, while on academic suspension, a Hold will be placed on a Student’s record to prevent registration. All other assigned educational sanctions must be completed prior to the restoration of Student privileges; otherwise, the academic suspension will remain in effect. A suspended Student is not permitted on University Premises during the length of his or her suspension. If a suspended Student is found on University Premises, the University Police will be notified. This sanction may only be imposed by the Dean of Students, or designee.

   f. Expulsion: Removes the Student from his or her academic program and permanently separates the Student from the University without opportunity to graduate or re-enroll. The University Registrar, or designee, is instructed to permanently place a Transcript Overlay on the Student’s transcript indicating the expulsion. Further, a Hold will be permanently placed on the Student’s record to prevent future registration. An expelled Student is not permitted on University Premises. If an expelled Student is found on University Premises, the University Police will be notified. This sanction may only be imposed by the Dean of Students, or designee.

   g. Revocation of Degree: Revocation of a previously awarded academic degree. This sanction may only be imposed in situations where it has been determined a degree
was obtained as a result of fraud or a significant portion of the work submitted in fulfillment of, and indispensable to the attainment of, said degree was obtained via one or more academic integrity Violations. This sanction may only be imposed by the Dean of Students, or designee.

2. Administrative Sanctions

a. Alteration of Student Status: These sanctions alter a Student’s fundamental relationship with the University.

1) Reprimand: An official written disciplinary warning that the Student’s behavior is in Violation of the Code, and that if the Student is subsequently found in Violation of a similar policy, additional sanctions may be imposed.

2) Probation: A period of time during which the Student is considered not in Good Disciplinary Standing. Restrictive conditions may be imposed as an element of probation and vary according to the severity of the offense. Restrictive conditions include, but may not be limited to, denial of the privilege to occupy a position of leadership or responsibility in any University RSO, publication, or activity or ability to represent the University in an official capacity or position. If the Student is found responsible for another Violation of the Code during the period of Disciplinary Probation, a sanction of suspension or expulsion from the University may be imposed.

3) Suspension: A period of time, not to exceed three (3) years, when a Student may not attend classes or participate in University related activities, whether the class or activity occurs on or off University Premises. The University Registrar, or designee, is instructed to place a Transcript Overlay on the Student’s transcript during the period of suspension indicating the period of suspension. Further, while on disciplinary suspension, a Hold will be placed on the Student’s record to prevent registration. All assigned educational sanctions must be completed prior to the restoration of the Student’s privileges; otherwise, the disciplinary suspension will remain in effect. A suspended Student is not permitted on University Premises during the length of their suspension. If a suspended Student is found on University Premises, the University Police will be notified.

4) Expulsion: Removes the Student from his or her academic program and permanently separates the Student from the University without opportunity to graduate or re-enroll. The University Registrar, or designee, is instructed to permanently place a Transcript Overlay on the Student’s transcript indicating the expulsion. Further, a Hold will be permanently placed on the Student’s record to prevent future registration. An expelled Student is not permitted on University Premises. If an expelled Student is found on University Premises, the University Police will be notified.
b. Educational Sanctions: Educational sanctions are intended to provide Students with an opportunity to reflect and learn from the Adjudication of a Violation or attempt to restore or promote the academic environment of the University Community. Common educational sanctions include, but are not limited to:

1) Class or Workshop: Required attendance at a class or workshop designed to educate Students as to the risks and consequences of exhibited behaviors. Any assigned classes shall be non-credit and will not be reflected on a Student’s transcript. The Student is responsible for any costs associated with participation in a class or workshop.

2) Counseling Assessment and Compliance: Referral for assessment (at the Student’s expense) to a licensed mental health professional or counseling center for general mental health or other counseling services. The Student found responsible for an alcohol, drug, or behavioral Violation may be referred to the University Counseling and Psychological Services Office or to an outside agency or counselor based on the seriousness of the Violation. The Student must comply with all recommendations established as a result of any assessment resulting from the imposition of this sanction.

3) Exclusion from University Housing: The Student is prohibited from visiting University Housing unless prior approval has been given by the Dean of Students, or designee. The Student may be allowed to be present in University Housing conference rooms or academic advising offices with the prior approval of the Dean of Students, or designee.

4) Modification of University Housing Assignment: Reassignment of the Student to another location in University Housing.

5) Removal from a Course or Section: Reassignment of the Student to another section of a course or dismissal from a course.

6) Restitution: Payment to compensate for actual damages or loss of services to the University.

7) Restorative Service Hours: Assignment to perform tasks or services under the supervision of a University department or community service agency. These hours may not be used to fulfill service learning graduation requirements or the community service requirements of any RSO.

8) Restrictions: Restrictions may be imposed on a Student which include, but are not limited to, participation in Organizations, or Student groups, activities, or events; entrance to University Housing areas or any other areas on campus or University Premises; prohibition on contact with a specified person(s) within the University Community;
9) Written Assignment: A designated written activity related to the specific Violation(s).

3. Organizational Sanctions

a. Organizational Probation: A period of time, not to exceed one (1) calendar year, during which an Organization is considered not in Good Disciplinary Standing with the University.

The Hearing Officer shall determine specific restrictions appropriate to the Violation which may include, but are not limited to:

1) A restriction from engaging in, participating in, hosting, or sponsoring social events or mixers;

2) A restriction from hosting events off University Premises;

3) A restriction from hosting events that involve alcohol;

4) A restriction from traveling using University funds or representing the University in any way;

5) A restriction on the number or type of events that an Organization may host or sponsor;

6) A requirement that any event or activity, including official business meetings or philanthropic activities, must be approved in advance by the Office of Student Involvement or the Sport Club Coordinator, in consultation with the Dean of Students’ Office; or

7) A fraternity and sorority on probation may not participate in any Greek Week events or participate in intramural sports or other social competitions. All recruitment activities of a fraternity or sorority on probation must be approved by the Office of Student Involvement in consultation with the Dean of Students’ Office at least thirty (30) calendar Days prior to the beginning of recruitment activities.

b. Organizational Suspension: A period of time, not to exceed three (3) years, when an Organization may not operate on University Premises or affiliate itself with the University in any way. An Organization which is determined to have continued operation despite suspension may have the term of suspension extended.

c. Organizational Expulsion: A period of time, not less than seven (7) years, when an Organization may not operate on University Premises or affiliate itself with the
University in any way. An Organization which is determined to have continued operation despite suspension may have the term of expulsion extended. Following Organizational expulsion, the Dean of Students, or designee, must approve of the return of that Organization. This decision may be revisited once per academic year and is not subject to appeal.

d. Educational Sanctions: All members of an Organization or a subset of members of the Organization deemed appropriate may be required to complete an educational sanction. Educational sanctions are intended to provide the Students with an opportunity to reflect and learn from the determination of responsibility for a Violation or attempt to restore or promote the academic environment of the University Community. Common educational sanctions are listed under Article E.2.b.

e. Organization Specific Sanctions: Additional sanctions specific to Organizations, which may be found in the Organization’s Constitution, the Office of Student Involvement policies, policies maintained by other University entities with appropriate jurisdiction, or the by-laws or regulations of the affiliate’s national organization.

4. Any sanction may be issued in a conditional status, contingent upon compliance with a designated set of conditions, including appropriate future conduct for an established period of time. In these situations, failure to comply with the designated conditions will result in the enactment of the conditional sanction immediately. Conditional sanctions may only be appealed at the time of issuance. Appeals at the time of implementation will not be considered timely and will not be heard.

5. When a Respondent Student or Organization is found responsible for B.2.a., B.2.b.2., B.2.b.3., B.2.b.4., and B.2.b.5., the sanctions shall place an emphasis on correcting and preventing a recurrence of the incident and promoting the safety of the Impacted Person(s) and the University Community.

6. Decisions regarding falsification of admission or re-admission information may result in sanctions up to and including the revocation of admission (with or without the loss of earned credit) or the revocation of a degree which was previously conferred.

7. A Student who fails to complete sanctions will have a disciplinary Hold placed on his or her record. This Hold will affect the Student’s ability to register, add, drop, or withdraw from classes, receive transcripts, or access various University services. In severe situations, the Student may also be Charged with additional Violations of the Code.

F. Procedures for Appeal

1. An appeal is not a new Hearing; it is a procedural safeguard to ensure Respondent Students or Organizations receive a Hearing consistent with the procedures of this Code. An appeal may be filed by the Respondent Student or Organization or by an Impacted Person in any case adjudicated under the procedures listed in Article D.3. In such cases,
both parties will have the opportunity to submit an appeal and/or opposition to appeal prior to review by the Appeal Officer and, if an appeal Hearing is scheduled, both parties will have an opportunity to present information to the Appeal Officer, in separate meetings, prior to a final decision.

2. Basis for Appeal

a. Due Process Error: An allegation of significant procedural error which both a) denied the Appellant a right set forth in the Code and b) likely altered the outcome of the Hearing.

b. New Evidence Unavailable at Hearing: An allegation that there is evidence which a) is likely to have altered the outcome of the Hearing and b) was not available to the Hearing Officer and the Appellant at the time of the Hearing. Failure to present evidence or information available at the time of the Hearing is not grounds for appeal.

c. Sanctions Imposed Are Extraordinarily Severe: The Appellant alleges the sanctions are disproportionate, given the nature of the Violation(s) and in light of the Appellant previous conduct history.

3. Timeline for Appeal

a. The outcome of a conduct Hearing may be appealed within three (3) Days of the date of the decision letter by filing a written appeal which may be submitted by email using the Student Conduct Appeal form. Extensions shall be granted at the sole discretion of the Dean of Students, or designee, and shall only be granted in exceptional circumstances where the failure to file an appeal within the designated period was demonstrably outside the control of the requesting party. The decision of the Dean of Students, or designee, to grant or deny an extension shall be communicated in writing to the Student and shall be final.

b. Appeals will be reviewed and, if appropriate, an appeal Hearing will be scheduled within five (5) Days of the date of receipt of an appeal unless there is good cause to extend this timeline, which will be communicated to all parties involved in the appeal.

c. The outcome of an appeal will be communicated in writing to all parties involved in the appeal within five (5) Days of the date of the last appeal Hearing

d. An Appellant’s academic status will remain unchanged during the appeal or review process though other sanctions may be in effect during the period of appeal.

4. Jurisdiction

a. The appeal of the outcome of an Administrative Hearing shall be considered by the
immediate supervisor of the Hearing Officer so long as the supervisor is also a
Hearing Officer. In all other cases, the appeal will be considered by the Dean of
Students, or designee.

b. The appeal of the outcome of a Hearing by the RCC shall be considered by the
Associate Director for Residence Education, or designee.

c. The appeal of the outcome of a Hearing heard by the AIC or SCC shall be considered
by the Vice President for Student Success and Enrollment Management, or designee.

5. Appeal Hearings

a. An appeal Hearing may be granted by the Appeal Officer. This decision is based on
the Appellant’s written information provided in the appeal.

b. If an Appeal Officer finds insufficient information to support any potential basis for
appeal he or she may find the appeal without merit and deny it without a Hearing.

c. If an appeal is permitted, it will be scheduled within five (5) Days of receiving the
written request for appeal unless an Appeal Officer determines that good cause exists
for deferring the appeal for a longer period of time.

d. The Appellant is permitted to bring an Advisor to an appeal Hearing, subject to the
same restrictions as applied to Advisors during the initial Hearing.

e. Witnesses are not permitted in appeal proceedings, though written statements may be
provided to prove the existence of information which was not available at the time of
the Hearing.

6. Appeal Decisions

a. Decision Upheld: A finding that the Hearing was appropriately conducted, the
sanctions are appropriate to the situation under appeal, and any procedural errors are
unlikely to have altered the decision.

b. Decision Modified: A modification of sanctions may only remove a sanction or
reduce the severity of a sanction unless the sanctions are modified to reflect the
written request of the Appellant, which may include replacing one sanction with
another or adding an additional sanction in exchange for a reduction in an original
sanction.

c. Decision Reversed: A directed finding of not responsible for all Charges.

d. New Hearing: A new Hearing may be ordered. In these circumstances, a Hearing will
be scheduled within five (5) Days of written notification of the outcome of the appeal.
This new Hearing may not be held by the same Hearing Officer or, if the case was heard through an AIC, SCC, or RCC Hearing, no members from the first Hearing may sit on the second AIC, SCC, or RCC.

7. A student may seek judicial review of the final University decision made under this Code pursuant to Florida Rule of Appellate Procedure 9.190(b)(3), applicable to review of quasi-judicial decisions of an administrative body not subject to the Administrative Procedure Act, by filing a petition for certiorari review with the circuit court within thirty (30) days of the final University decision. If a student seeks review with the court, they must also provide a copy of the petition to the following university office or official: Office of the General Counsel, Florida Gulf Coast University, 10501 FGCU Blvd. S. Fort Myers, Florida 33965.

G. Special Provisions and Procedures for Review

1. When a Respondent Student or Organization is Charged with Violations occurring during the last two (2) weeks of the semester or during summer sessions, the Dean of Students, or designee, will determine the type of Hearing provided for the Student to ensure that the Student is given adequate Notice and that due process is observed.

2. The Vice President for Student Success and Enrollment Management, or designee, shall establish a committee which shall include Student representation, for the periodic evaluation of its Student disciplinary system. The committee shall review the Code and Student Conduct Review Process at least once every two (2) years. The committee membership shall be made up of no less than fifty percent (50%) Student members and shall include representation by at least one (1) member of the faculty and one (1) member of the administrative staff.

Authority

Sections 1006.60, 1006.61, 1006.62, 1006.63, Florida Statutes
BOG Regulation 1.001, University Board of Trustees Powers and Duties
BOG Regulation 6.0105, Student Conduct and Discipline

History of Regulation

New 01/15/08; Amended 01/18/11; Amended 09/20/11; Amended 04/17/12; Amended 06/19/12; Amended 06/17/14; Amended 09/08/15; Amended 04/11/17; Amended 06/11/19;

Approved by Florida Gulf Coast University Board of Trustees

June 11, 2019
SUBJECT: FGCU Regulation 3.005 Graduate Admissions

PROPOSED BOARD ACTION

Approve amendments to FGCU Regulation 3.005 Graduate Admissions

BACKGROUND INFORMATION

FGCU Regulation 3.005 Graduate Admissions has been amended to reflect new organizational changes in the Enrollment Management Unit, as well as changes in the immunization requirements for on-campus and off-campus students.

Supporting Documentation Included: (1) Executive Summary, and (2) Notice and Text for FGCU Regulation 3.005 Graduate Admissions

Prepared by: Associate Vice President for Enrollment Management Lisa Johnson

Legal Review: Vice President and General Counsel Vee Leonard (November 6, 2019)

Submitted by: Vice President for Student Success and Enrollment Management Mitch Cordova
Executive Summary of Graduate Admissions Regulation Revisions

Attached is a copy of the Graduate Admissions regulation, which contains several recommended amendments to the current version. Below is a summary of the proposed changes:

- Specific changes regarding new organizational changes with the addition of the Office of Graduate Admissions to the Enrollment Management Unit.

- Adjustment of immunization requirements to include mumps for on-campus students, and eliminate immunization requirements for students taking courses solely in an off-campus setting.

- Other minor housekeeping revisions for greater clarity and formatting edits.
NOTICE OF REGULATORY ACTION

REGULATION TITLE:
Graduate Admissions

REGULATION NO:
3.005

SUMMARY:
This regulation is being amended to, in addition to minor housekeeping revisions, adjust immunization requirements to include mumps, and eliminate immunization requirements for students taking courses solely in an off-campus setting.

FULL TEXT:
The full text of the regulation being proposed is attached and can also be found at https://www.fgcu.edu/generalcounsel/regulations/

AUTHORITY:
Board of Governors Regulations 6.001, 6.003, 6.007, 6.009, and 6.018.

UNIVERSITY OFFICIAL INITIATING THE PROPOSED/REVISED REGULATION:
Mitchell Cordova, Vice President for Student Success and Enrollment Management

UNIVERSITY OFFICIAL APPROVING THE PROPOSED/REVISED REGULATION:
Mitchell Cordova, Vice President for Student Success and Enrollment Management

CONTACT INFORMATION REGARDING THE PROPOSED/REVISED REGULATION:
Todd Caraway
Office of the General Counsel
10501 FGCU Blvd. S., Fort Myers, FL 33965-6565
(P): 239.590.1101 | (F): 239.590.7470 | Email: gco@fgcu.edu

Any person may submit written comments concerning a proposed regulation, amendment, or repeal to the contact person identified above within 14 days after the date this notice was posted. The comment(s) must identify the regulation to which you are commenting.

THIS NOTICE WAS POSTED ON THE FGCU WEBSITE ON NOVEMBER 25, 2019.
A. GENERAL STATEMENT

Florida Gulf Coast University encourages applications from all qualified individuals regardless of age, race, religion, national origin, color, sex, sexual orientation, disability, marital status, or veteran’s status. All credentials and documents submitted during admission (from submission of the application to rendering of an admission decision) and enrollment (from the admission decision to registration for course work) become the property of FGCU and will not be returned to the applicant. Furnishing any false or fraudulent statements or information in connection with the admission or enrollment process may result in disciplinary action, including, but not limited to, denial of admission, suspension of registration, invalidation of credits or degrees earned, and/or dismissal from the University.

B. GRADUATE ADMISSION REQUIREMENTS

Applicants to graduate degree programs or post-baccalaureate professional programs are required to meet minimum University admission requirements. Individual programs may set additional criteria or more selective requirements and may be limited by space or other considerations. Consequently, meeting minimum University admission requirements does not guarantee admission to a particular program. In order to be considered for admission to a graduate program at FGCU, an applicant must:

1. Have a bachelor’s degree or equivalent from a regionally accredited institution or equivalent foreign institution;

2. Present an official standardized admission test score, if required. (Refer to the college/program description for approved standardized tests.); and

3. Meet at least one (1) of the following criteria:

   a. An applicant must have a GPA of 3.0 (or equivalent) or greater (on a 4.0 scale) for the last sixty (60) hours of the baccalaureate degree. No entrance exam is required unless the GPA is less than 3.0. If the GPA is less than 3.0, then an applicant must have a minimum entrance score on the Graduate Record Exam (GRE), Graduate Management Admission Test (GMAT), or Miller Analogies Test (MAT) set at the program level, or

   b. A graduate degree from a regionally accredited institution or equivalent foreign institution, unless the Program specifically requires the GRE, GMAT, or MAT.
4. All graduate applicants must indicate whether or not Florida residency is claimed.

C. EXCEPTIONS TO THE ABOVE REQUIREMENTS

The University may admit up to ten percent (10%) of its total graduate admissions in a given academic year as exceptions to the minimum University graduate admission requirements defined above. An applicant who does not meet the minimum University requirement for admission and who wishes to apply for an exception must:

1. Explain why his or her undergraduate or entrance exam performance does not fully represent potential for success in a graduate program, and

2. Present additional evidence of potential for academic success at the graduate level, such as excellent letters of recommendation from academicians or professionals in the discipline, performance in previously taken graduate courses, or other relevant professional, educational, or life experiences.

Each request for an exception must include a statement describing the special circumstances of the applicant. Review of an application for exception and subsequent endorsement or denial will be made by the graduate program and/or college, as appropriate, subject to final approval by Graduate Studies.

D. FORMER STUDENT RETURNING

A former FGCU degree seeking graduate student who has not completed a graduate degree at FGCU and who has not been enrolled for at least one (1) year (three (3) consecutive semesters) must submit a new admission application by the appropriate application deadline. To be eligible for readmission, a student must be in good standing and be eligible to return to the last institution attended, including FGCU. If admitted, the program will determine which previously earned credits can be applied towards graduation.

E. CHANGE IN GRADUATE PROGRAM OR COLLEGE

Students wishing to change major fields of study either between graduate colleges or graduate programs within the same college must withdraw from their current program and complete a new graduate application. The new application will follow the same review procedure and admission criteria specified by the University and program as for a first-time applicant. Change of a college or program results in the term of entry being shifted to the most current University catalog.

F. INTERNATIONAL STUDENT ADMISSION

FGCU is authorized under federal law to enroll nonimmigrant students. Applicants are classified as international if they are not United States citizens, do not hold dual citizenship (U.S. and another country), are not permanent residents, and if they are applying for an F-1
student visa or a J-1 Exchange Visitor visa (exchange visitors are classified as either scholar or student). International students must meet University admission requirements and admission criteria for the program to which they apply and satisfy the following:

1. International students must have all credentials and admission information submitted to the Office of Graduate Admissions Studies prior to the published deadline on the Graduate Admissions Studies website for international students.

2. An international applicant must be academically eligible for admission to the program at the level of entrance requested by the applicant. An international student must demonstrate the required level of academic preparation as evidenced by official copies of any academic records needed to ascertain the comparability of the level and quality of the student's previous education and achievement to that required for other students. Credit earned from institutions outside the U.S.A. must be evaluated on a course-by-course basis by World Education Services, Josef Silny & Associates, Incorporated, or any other evaluation company approved by the National Association of Credential Evaluation Services (NACES). The applicant pays for this service and is responsible for contacting the evaluating agency directly and ensuring that academic credential reports are submitted to FGCU by the application deadline. Academic documents must be translated into English and evaluated by a reputable credential evaluator.

3. International students currently attending any institution in the United States must submit an FGCU International Student Visa Clearance Transfer Form to be completed by the current school the student attends. The school official must designate Florida Gulf Coast University as the “transfer to” institution and must confirm the student’s status as an F or J visa holder.

4. Applicants must demonstrate English proficiency in accordance with University policy and will be required to submit acceptable TOEFL (Test of English as a Foreign Language) scores, unless the country of origin uses English as the official language. A minimum score of 213 is required on the computerized TOEFL, 79 on the internet based TOEFL, and 550 on the paper based TOEFL. With the approval of the Assistant Vice President for University Admissions, Director of Graduate Studies and the appropriate college dean, applicants may furnish satisfactory evidence of English competency in lieu of the TOEFL. Examples of satisfactory evidence include, but are not limited to, completion of the IELTS (International English Language Testing System, www.IELTS.org) with a minimum score of 6.5; completion of English Composition I and II (ENC 1101 and ENC 1102, or equivalent) with a grade of C or higher; and/or a minimum of 60 credits satisfactorily completed at an accredited institution of higher education where all courses are taught in English.

5. In order for the University to issue a Certificate of Eligibility (Form I-20 or a DS 2019) to an international applicant, the applicant must file a Certification of Finances Statement from the applicant’s financial institution confirming the availability
of sufficient resources to cover tuition, fees, books, room and board, health insurance, and other living expenses (Estimated Cost of Education) while enrolled at the University.

6. Each international applicant determined to be academically and financially eligible for admission must submit a health history form including proof of immunizations, as required by the University, prior to enrollment at the University.

7. For a J-1 student, the Certification of Finances Confidential Financial Statement must document that the applicant is directly or indirectly financed by the U.S. government, the government of his or her home country, or an international organization of which the U.S. is a member (by treaty or statute); or that he or she is substantially supported by funding from any source other than personal or family funds.

8. No international student in F or J non-immigrant status shall be permitted to register or continue enrollment without demonstrating that he or she has adequate medical insurance coverage for illness and accidental injury and which meets the following minimum requirements:

   a. Coverage Period: Policies must provide, at a minimum, continuous coverage for the entire period the insured is enrolled as an eligible student, including annual breaks during that period. Payment of benefits must be renewable.

   b. Basic Benefits: Room, board, hospital services, physician fees, surgeon fees, ambulance, outpatient services, and outpatient customary fees must be paid at eighty percent (80%) or more of usual, customary, reasonable charge per accident or illness, after deductible is met, for in-network, and seventy percent (70%) or more of usual, customary, and reasonable charge for out-of-network providers per accident or illness.

   c. Inpatient Mental Health Care: Must be paid at eighty percent (80%) in-network or sixty percent (60%) out-of-network of the usual and customary fees with a minimum 30-day cap (preferably forty (40)) sessions per year.

   d. Outpatient Mental Health Care: Must be paid at eighty percent (80%) in-network or sixty percent (60%) out-of-network of the usual and customary fees for a minimum of thirty (30) (preferable forty (40)) sessions per year.

   e. Maternity Benefits: Must be treated as any other temporary medical condition and paid at no less than eighty percent (80%) of usual and customary fees in-network or sixty percent (60%) out-of-network.

   f. Inpatient/Outpatient Prescription Medication: Must include coverage of one thousand dollars ($1,000) or more per policy year.
g. Repatriation: **Ten thousand dollars** ($10,000) (coverage to return the student's remains to his or her native country).

h. Medical Evacuation: **Twenty-five thousand dollars** ($25,000) (to permit the patient to be transported to his or her home country and to be accompanied by a provider or escort, if directed by the physician in charge).

i. Exclusion for Pre- Existing Conditions: First six (6) months of policy period, at most.

j. Deductible: Maximum of **fifty dollars** ($50) per occurrence if treatment or services are rendered at the Student Health Center; maximum of **one hundred dollars** ($100) per occurrence if treatment or services are rendered at an off-campus ambulatory care or hospital emergency department facility.

k. Minimum coverage: **Two-hundred thousand dollars** ($200,000) for covered injuries/illnesses per policy year.

l. Insurance Carrier must, at a minimum, meet the rating requirements specified in Part 62.14(c)(1) of Title 22 of the Code of Federal Regulations.

m. Policy must not unreasonably exclude coverage for perils inherent to the student's program of study.

n. Claims must be paid in U.S. dollars payable on a U.S. financial institution.

o. Policy provisions must be available from the insurer in English.

9. International students are subject to the same University policies and procedures that apply to all students, such as admission, enrollment, immunization, etc. Additionally, international students are obligated to follow and comply with the laws and regulations set by the United States Department of State, the United States Department of Homeland Security, and the United States Citizenship and Immigration Services.

G. STUDENTS WITH DISABILITIES ADMISSION

An individual requesting special consideration for admission (petition) due to a disability must provide appropriate documentation (less than five (5) years old) that supports the ability to succeed at the graduate level. This documentation should explain how the disability likely affected the reason for the special consideration request (i.e., entrance exam score, GPA, etc.). The Office of Adaptive Services will review this petition and all accompanying documentation and will offer an opinion to the graduate program to which the applicant has applied. It is then the individual graduate program coordinator who will provide a recommendation to the College Dean whether to grant the applicant special consideration for the disability. The final admission decision will be made by the Assistant Vice President for University Admissions in collaboration with the college Dean.
H. PRIOR CONDUCT

Consideration shall be given to the past actions of any person applying for admission when such actions have been found to disrupt or interfere with the orderly conduct, processes, functions, or programs of any other university, college, or community college. Consideration may also be given to past conduct while not a student. The University may deny admission or enrollment to an applicant because of the applicant's past misconduct on campus, off campus, or while not a student, if determined to be in the best interest of the University.

I. PROBATIONARY ADMISSION

1. Provisional Admission.

Applicants accepted for admission who applied using unofficial documents and whose official documents (transcripts and/or test scores) have not been received by the Office of Graduate Admissions Studies can be admitted provisionally, pending receipt of these missing items. The official transcripts and/or test scores must be received within the first (1st) semester of attendance. Registration is permitted for one (1) semester only and if official documentation is not received prior to the start of the second (2nd) semester, the student will not be permitted to register for the second (2nd) semester. Failure to provide the missing documents by the end of the first (1st) semester of attendance may result in a student’s provisional admission into a degree program being rescinded and the transcript of completed coursework reflecting non-degree status.

2. Conditional Admission.

Students who satisfy University minimum requirements for admission, but not program or college specific requirements, may be admitted conditionally by the program or college. These conditions may include attendance in specific core or remedial courses and/or required earned GPA of 3.0 for those courses. Each college and/or program is responsible for monitoring conditionally admitted students. The college and/or program will inform the Office of Graduate Admissions Studies if the student has failed to meet the conditions. Failure to satisfy specified conditions put forth by the college or program by the deadline established will result in a student having his or her admission to the degree program rescinded and the transcript of completed coursework reflect non-degree status.

J. ACCEPTING OR DEFERRING GRADUATE ADMISSION

A student is admitted for a specified semester and graduate program as noted in the official acceptance notification. Students admitted to a program must respond in writing, by the date defined by the program, as to their intention to accept or reject the offer of admission. Because deferment of admission policy is set by individual programs, check with the individual graduate program of interest for details.
K. APPEAL FOR RECONSIDERATION

The college or program will inform applicants denied admission in writing with an explanation as to why this decision was warranted. Denied applicants who meet both the minimum University and program criteria and who wish to appeal the decision must write to the graduate program representative or college designee within thirty (30) days of the date of admission denial to request reconsideration.

L. IMMUNIZATION REQUIREMENT

1. In addition to the requirements for graduate admission, and as a prerequisite to registration for classes as a degree seeking or post-baccalaureate non-degree seeking student, the State of Florida and FGCU require all on-campus students (except those granted exemptions because of age, medical, or religious reasons) are required to present documented proof of immunizations against measles (Rubeola), mumps, and rubella, and to be vaccinated against meningitis and hepatitis B diseases or to sign a waiver as to those vaccines (if they are over 18 years of age). Prior to initial registration for classes, each student must submit a completed FGCU Immunization History Form, available online, or other proper immunization documentation acceptable to Student Health Services. Questions about acceptable alternative means of proof, exemptions, or temporary medical deferments should be directed to Student Health Services/Immunization Department.

2. Notwithstanding the foregoing requirements, students who register only for University courses to be taken solely in an off-campus setting shall not be required to present documented proof of immunity to measles, mumps, and rubella (MMR) immunization. However, should such student subsequently enroll in a program or course requiring the student’s presence on a University campus, then such student must present documented proof of immunity to MMR immunization or sign a waiver as to those vaccines (if they are over eighteen (18) years of age) prior to beginning that program or course.

M. TRANSFER CREDIT

1. Students may transfer into a graduate program at FGCU a limited number of credit hours from graduate level courses completed at a regionally accredited college or university, or equivalent foreign institution. Check with the individual graduate program regarding allowable transfer credits.

2. The Office of Graduate Admissions/Studies is responsible for articulating transfer credit to the FGCU transcript.

3. The University reserves the right to evaluate transfer courses on an individual basis. The date any previous course work was completed and concordance of content to current
program requirements are factors that may be used to determine course transfer and acceptance toward degrees.

4. Awarding transfer credit

a. Transfer courses must be applicable toward the graduate degree being sought at FGCU and must be approved by the college Dean (or designee). Check with the individual program in question regarding restrictions on the acceptance of transfer credits, including any time limitations.

b. Military Service. Official credentials from military service schools will be evaluated on the basis of American Council on Education (ACE) recommendations. Credit may be granted when courses are equivalent to those offered by FGCU; however, recommendations by the ACE are not binding upon the University.

c. An equivalent FGCU course number will be entered on the student’s official academic transcript.

d. Transfer credits will not be computed as part of a student’s FGCU grade point average.

e. Accreditation status and evaluation of credits from an institution outside the U.S.A. must be made on a course-by-course basis by World Education Services, Josef Silny & Associates, Incorporated, or any other evaluation company approved by the National Association of Credential Evaluation Services (NACES). The applicant pays for this service and is responsible for contacting the evaluating agency directly.

f. All transfer credit evaluations are completed after admission to the University. Only official transcripts will be evaluated.

g. Transfer students from non-regionally accredited Florida institutions that follow the state common course numbering system may have a limited number of courses transferred.

h. Transfer of credit from an institution based on the quarter system will be converted to the semester system by dividing the number of course credits by a factor of 1.5.

Specific Authority
Board of Governors BOG Regulations 6.001, 6.003, 6.007, 6.009, and 6.018

History of Regulation
New 04/19/11; Amended 10/26/11; Amended 07/11/14; Amended ____
Approved Action by Florida Gulf Coast University Board of Trustees
Approved 06/17/2014

Approved Action by the Florida Board of Governors
Approved 07/11/2014
Effective Date of Regulation:
07/11/2014
ITEM: 

Florida Gulf Coast University Board of Trustees
January 14, 2020

SUBJECT: FGCU Regulation 2.001 Undergraduate Admissions

PROPOSED BOARD ACTION

Approve amendments to FGCU Regulation 2.001 Undergraduate Admissions

BACKGROUND INFORMATION

FGCU Regulation 2.001 Undergraduate Admissions has been amended to reflect new organizational and procedural changes in the Office of Undergraduate Admissions and the Enrollment Management Unit. Also, amendments have been made to reflect changes in the immunization requirements for on-campus and off-campus students.

Supporting Documentation Included: (1) Executive Summary, and (2) Notice and Text for FGCU Regulation 2.001 Undergraduate Admissions

Prepared by: Associate Vice President for Enrollment Management Lisa Johnson

Legal Review: Vice President and General Counsel Vee Leonard (November 6, 2019)

Submitted by: Vice President for Student Success and Enrollment Management Mitch Cordova
Executive Summary of Undergraduate Admissions Regulation Revisions

Attached is a copy of the Undergraduate Admissions regulation, which contains several recommended amendments to the current version. Below is a summary of the proposed changes:

- This regulation is being amended to eliminate rolling admissions and establish application deadlines for early action and regular decision.

- Adjust immunization requirements to include mumps; and eliminate immunization requirements for students taking courses solely in an off-campus setting.

- Other minor housekeeping revisions for greater clarity and other formatting edits.
FLORIDA GULF COAST UNIVERSITY

NOTICE OF REGULATORY ACTION

REGULATION TITLE:
Undergraduate Admissions

REGULATION NO:
2.001

SUMMARY:
This regulation is being amended to, in addition to minor housekeeping revisions, eliminate rolling admissions and establish application deadlines; adjust immunization requirements to include mumps; and eliminate immunization requirements for students taking courses solely in an off-campus setting.

FULL TEXT:
The full text of the regulation being proposed is attached and can also be found at https://www.fgcu.edu/generalcounsel/regulations/

AUTHORITY:
Chapter 1007, Part II, Florida Statutes; Board of Governors Regulations 1.001, 6.001, 6.002, 6.004, 6.005, 6.006, 6.007, 6.009, and 6.018; Section 504 of the Rehabilitation Act of 1973

UNIVERSITY OFFICIAL INITIATING THE PROPOSED/REVISED REGULATION:
Mitchell Cordova, Vice President for Student Success and Enrollment Management

UNIVERSITY OFFICIAL APPROVING THE PROPOSED/REVISED REGULATION:
Mitchell Cordova, Vice President for Student Success and Enrollment Management

CONTACT INFORMATION REGARDING THE PROPOSED/REVISED REGULATION:
Todd Caraway
Office of the General Counsel
10501 FGCU Blvd. S., Fort Myers, FL 33965-6565
(P): 239.590.1101 | (F): 239.590.7470 | Email: gco@fgcu.edu

Any person may submit written comments concerning a proposed regulation, amendment, or repeal to the contact person identified above within 14 days after the date this notice was posted. The comment(s) must identify the regulation to which you are commenting.

THIS NOTICE WAS POSTED ON THE FGCU WEBSITE ON NOVEMBER 25, 2019.
A. GENERAL STATEMENT

Florida Gulf Coast University (“University” or “FGCU”) encourages application from all qualified individuals regardless of age, race, religion, national origin, color, sex, sexual orientation, disability, marital status, or veteran’s status. The Office of Undergraduate Admissions provides prospective students, parents, and other interested individuals with admission counseling, presentations, tours, and informational workshops. All credentials and documents submitted during the admission (from submission of the application to rendering of an admission decision) and enrollment (from admission decision to registration for course work) processes become the property of FGCU and will not be returned to the applicant or forwarded to another institution, agency, or person. Furnishing any false or fraudulent statements or information in connection with the admission or enrollment process may result in disciplinary action, denial of admission, and invalidation of credits or degrees earned.

Admission to the University does not guarantee admission to programs designated as limited access, teacher certification, or other programs that have application criteria beyond the minimum criteria for admission to the University. Program descriptions provide additional admission requirements and application deadlines.

B. APPLICATION

The latest information regarding the application process is found on the University’s website. Undergraduate Admissions has two (2) application deadlines for first-time-in-college (FTIC) students: November 1st for Early Action and March 1st for Regular Decision. Early Action applicants will receive a non-binding admissions decision by the end of December. After the Early Action notification, Regular Decision Applicants will receive decisions on a rolling basis. Early Action applicants who do not meet admissions standards, but are close, can be referred to Regular Decision so they have time to submit new grades and/or test scores. Admissions’ decisions are made on a rolling basis, which means that as soon as all required documents have been received and the evaluation completed, a decision is made. Admit, deny, or a hold decision notifications are sent to the applicant 2 business days after the decision has been entered on the student’s record. Applicants who have a hold decision are allowed to furnish additional or updated information. The time for evaluating completed admission records will vary from a few days to several weeks depending on the time of year and the complexity of the record volume of applications. Transfer student applications will be reviewed and admissions decisions will be rendered on a rolling basis. As such, applications deadlines will vary depending on the start dates of classes.

C. APPLICATION FEES

1. Application fees for Undergraduate and Non-Degree Seeking students are required and
non-refundable. The application fee is a one-time payment, provided the student is admitted and matriculates within one (1) year (defined as the original term of admission plus the following two (2) terms) (which includes the summer term). If the student fails to complete the application, is denied admission, or once admitted does not matriculate within this one (1) year a new application and fee are required.

2. Students returning to FGCU after a period of non-enrollment (at least one (1) year) as either degree seeking or non-degree seeking, alumni returning to FGCU, and non-degree seeking students submitting a degree-seeking application do not have to submit the application fee. Application fees will be waived in the following situations:

   a. When students submit a Request for Waiver of College Application Fee from the SAT or ACT Program Fee-Waiver Service, or a NACAC Application Fee Waiver form, Common Application Fee Waiver; and

   b. For special programs initiated by the University that are designed to help specific groups of students who would otherwise not be able to attend the University. Request to waive the application fees for students in these programs should be made to the Assistant Vice President for University Admissions well in advance of the program start.

D. OFFICIAL TRANSCRIPTS AND TEST SCORES

Official transcripts and test scores, if applicable, are required of applicants seeking formal admission to FGCU. To be official such documents must be sent directly to FGCU from the issuing institution and must be received by the published deadlines. It is the applicant’s responsibility to have the required documentation forwarded to the FGCU Office of Undergraduate Admissions in order for the application to be processed. All materials and fees (except the on-line application) may be mailed to Florida Gulf Coast University, Office of Undergraduate Admissions, 10501 FGCU Boulevard South, Fort Myers, FL 33965-6565. Documents may also be electronically transmitted using recognized services. Official test scores (ACT or SAT), a high school transcript, and transcripts of all previously attended colleges and universities should be sent to the Office of Undergraduate Admissions.

E. APPLICATION DEADLINES FOR U.S. RESIDENTS

1. Applicants are encouraged to apply as early as possible – up to twelve (12) months before the requested entry date. Application deadlines are listed on the Admissions website. Applicants still enrolled in high school at the time of the application should submit a high school transcript showing at least six (6) semesters of course work. A final high school transcript will be required following high school graduation. Final high school transcript must be received in Undergraduate Admissions before the start of classes.

2. For transfer students, if courses are still “In Progress” at the time of the initial application and transcript, then a final transcript showing grades for all course work and any degree conferred should be submitted as soon as possible after completing the work.
3. Applications received or completed after the posted deadlines may be processed for admission into the requested term based on space or time limitations; however, these factors may result in some applicants being considered for offered admission into the next available term. International (F-1 or J-1 non-US) students should refer to the section on International Admissions for appropriate deadlines.

F. EARLY ADMISSION AND DUAL ENROLLMENT

1. FGCU has full-time early admission and dual enrollment agreements with local school boards and private high schools for academically talented high school students who would like to challenge themselves by enrolling either part-time or full-time at FGCU and taking courses that will count towards high school graduation and University degree completion.

2. Criteria for Early Admission and Dual Enrollment:

   An applicant for early admission or dual enrollment must meet the following criteria:

   a. Demonstrate exceptional academic ability and college readiness,

   b. Be enrolled in a rigorous college preparatory curriculum,

   c. Meet the minimum GPA, test score requirements, and eligibility requirements as established in the dual enrollment agreement and as posted on the Accelerated Collegiate Experience (ACE) website.

3. Required Admission Materials

   Students should consult the ACE website for the application procedure, including deadlines and required documents.

G. FIRST-TIME-IN-COLLEGE STUDENTS

1. First-Time-In-College Students (FTIC) are defined as students who have earned a high school diploma or its equivalent and who have earned no more than eleven (11) semester hours of transferrable credit after high school graduation. Applicants must submit an application for admission, official transcripts of all secondary work from each post-secondary institution, as appropriate, and official ACT or SAT test scores.

2. An FTIC student must be a graduate of a Florida public or regionally accredited high school, or its equivalent, and have completed eighteen (18) Carnegie units which are year-long courses and not remedial in nature. At a minimum, the following units must be completed: four (4) units of English (at least three (3) with substantial writing); four (4) units of mathematics at the level of algebra I or higher (algebra A, B is equivalent to one (1) unit of algebra I); three (3) units of natural science (at least two (2) with a laboratory);
three (3) units of social science (includes anthropology, history, civics, political science, economics, psychology, sociology, or geography); two (2) units of the same foreign language (American Sign Language can substitute for a foreign language) (see section G.3.4 below regarding foreign language competency); and two (2) academic electives. Students who entered high school as a freshman prior to July 1, 2007 are required to complete three (3) units of mathematics and three (3) academic electives. FGCU will utilize a weighted GPA as determined by the Office of Undergraduate Admissions. Weighted GPAs include one (1) point for credits earned in Advanced Placement (AP), International Baccalaureate (IB), Advanced International Certificate of Education (AICE) courses, and Dual Enrollment courses for grades of C or higher. One-half (1/2) point for honors courses, Pre-AICE, and Pre-IB for grades of C or higher. Academic and elective courses are listed in the Counseling for Future Education Handbook published by the Florida Department of Education. Initial application review is based on high school weighted grade point average (GPA) in the academic units and performance on standardized admission tests. Acceptable tests include the SAT, or the ACT. Students who graduate from high school in 2006 or later must submit the new SAT with the writing test or an ACT with the combined English and writing score. Students applying for Spring 2017 or later are not required to submit an essay score.

3. Each FTIC student admitted to FGCU is expected to demonstrate competency of foreign language or American Sign Language equivalent to the second (2nd) high school level or higher (Spanish 2 for example). A limited number of students not meeting the high school foreign language requirement may be admitted; however, these students must fulfill the foreign language requirement prior to completion of the baccalaureate degree.

4. FTIC students applying to FGCU may be considered for admission based on the following criteria. Meeting the minimum requirements does not guarantee admission as factors such as number of qualified applicants and available space may be taken into consideration.

a. A 3.0-weighted GPA on a 4.0 scale paired with one (1) of the standardized admission tests. Subsections of each test must be above minimum or remedial levels, as determined by the Florida Board of Governors and the State Board of Education.

b. An FTIC student may be admitted if he or she has a high school weighted GPA of 2.5 - 2.99 on a 4.00 scale. Course work from which a student has withdrawn with passing grades will not be included in the calculation. In addition to achieving the minimum GPA, a student must achieve the minimum scores for each SAT Reasoning Test or ACT section as outlined below:

1) SAT: Critical Reading >= 460, or ACT: Reading >= 19,
2) SAT: Mathematics >= 460, or ACT: Mathematics >= 19, and
3) SAT: Writing & Language >= 440, or ACT: English >= 17 and English/Writing >=18,
4) Students applying for Spring 2017 or later must achieve the minimum scores for each section of the SAT (or its corresponding score on the redesigned SAT, based on the official concordance from the College Board) or ACT section as outlined below:

   a) SAT – Critical Reading + SAT – Writing or concordant score from rSAT Evidenced Based Reading and Writing >= 460, or ACT Reading >=19

   b) SAT- Mathematics >=460, or ACT – Mathematics >=19

5. Talented Twenty. Any student ranked in the top twenty percent (20%) of his or her Florida public high school that has passed all required academic units, may be admissible to FGCU and admitted on a space available basis.

6. Non-traditional program of study. Any applicant who completed a non-traditional high school program of study, which is not measured in Carnegie Units, such as home schooling, or a student who presents a General Equivalency Diploma (GED) instead of a standard high school diploma, may not qualify for admission based on the criteria listed above. Instead, the applicant must present a total score of at least 1450 on the SAT (Critical Reading + Math+ Writing & Language) or a 21 composite on the ACT plus writing. Students applying for Spring 2017 and later must present a combined score of at least 1010 on the SAT (or concordant redesigned SAT combined score) or an ACT composite score of 21. Sub-sections of each test must be above the minimum or remedial levels as described above.

7. Profile Assessment. A student applying for admission who does not meet these requirements may be eligible for admission through a student profile assessment, which considers additional factors, including, but not limited to, the following: a combination of test scores and GPA that indicate a potential for success, improvement in high school record, military service, family educational background, socioeconomic status, graduation from a low-performing high school, graduation from an international baccalaureate program, the length of time since high school graduation, geographic location, creativity, character, and special talents or abilities. These additional factors shall not include preferences in the admissions process for applicants on the basis of race, national origin, or sex. These students may be admitted if, in the judgment of the Admissions Committee, there is sufficient evidence that the student can be expected to succeed at the institution.

   a. The number of FTIC students admitted each year through profile assessment shall not exceed five percent (5%) of the total number of admitted FTIC students.

   b. Students admitted through profile assessment shall be monitored and provided a learning plan to help ensure that their retention and graduation rates remain at or near the institution’s average. Each year a report will be provided to the FGCU Board of Trustees reviewing the success of these students.
c. Any FTIC or Transfer student with a learning disability shall be eligible for reasonable substitution or modification of any requirement for admission pursuant to Board of Governors Regulation 6.018, Substitution or Modification of Requirements for Program Admission, Undergraduate Transfer, and for Graduation by Students with Disabilities.

8. FTIC applicants who earn transferable college credit, regardless of the total number, before graduating high school are considered freshman (FTIC).

H. LOWER DIVISION TRANSFER

1. Transfers with less than thirty (30) transferrable hours - Students who are lower division transfer applicants (those with at least twelve (12) but fewer than thirty (30) semester hours of transferable credit as determined by the Office of Undergraduate Admissions) must meet all requirements of incoming FTIC first-time-in-college applicants as described in the above section. These students must also have a minimum cumulative transfer GPA of at least 2.05 (on a 4.0 scale) as calculated by the University and be eligible to return as a degree-seeking student in good standing to the last institution attended.

2. Transfers with thirty (30) or more, but less than sixty (60) transferrable hours – Lower division transfer students with thirty (30) or more, but less than sixty (60) transferrable hours must have a minimum transfer GPA of at least 2.05 (based on a 4.0 scale) as calculated by the University, and be eligible to return as a degree seeking student in good standing to the last institution attended. In addition, students must have successfully completed (C or Higher) at least one (1) English Composition course and one (1) college level mathematics Course Course, that consists of three (3) semester credit hours. High school transcripts may be required to demonstrate completion of the foreign language admission requirement. Students not meeting these requirements must then meet the requirements for transfer students with less than thirty (30) transferrable hours.

3. A limited number of lower division transfer students not meeting admission criteria may be admitted if the student can reasonably be expected to complete satisfactory academic work. Factors such as the number of post-secondary hours completed, grades obtained, coursework completed, military credit earned, and length of time since high school graduation are some of the factors that will be considered.

4. FGCU has entered into articulation agreements with several public Florida State/Community Colleges for the purpose of facilitating transfer into FGCU degree programs. Applicants who have received an Associate of Science degree immediately prior to transferring to FGCU will be admitted if, and only if, the following requirements are met:

   a. The AS degree is in one (1) of the approved disciplines listed on the FGCU Office of Undergraduate Admissions website in the transfer section;
b. From an approved public Florida State/Community College; and

c. The applicant has applied for the corresponding FGCU degree program.

However, transfer applicants with an Associate of Science degree who matriculate to a post-secondary institution and fail to maintain at least a 2.0 GPA in additional courses, will not be eligible to transfer to FGCU. Admission is not guaranteed to programs designated as limited access. Some programs have additional program admission criteria.

5. Lower division transfer students who meet minimum requirements are not guaranteed admission into FGCU.

I. UPPER DIVISION TRANSFER (NON FLORIDA ASSOCIATE OF ARTS)

1. Students with at least sixty (60) semester hours of transferable credit (as determined by the Office of Undergraduate Admissions) are not required to submit test scores for admission to the University. Transfer students must submit the application to the University as well as an official transcript from every postsecondary institution attended.

2. A transfer student must also have a minimum cumulative 2.0 GPA (on a 4.0 scale) as calculated by the University and be eligible to return as a degree-seeking student in good standing (with at least a 2.0 GPA) to the last institution attended. A transfer student also must have completed at least two (2) college level math and English courses with grade of C or higher.

3. Each Transfer student admitted to FGCU is expected to demonstrate competency of foreign language or American Sign Language equivalent to the second (2nd) high school level or higher (Spanish 2 for example). A limited number of students not meeting the foreign language requirement may be admitted; however, these students must fulfill the foreign language requirement prior to completion of the baccalaureate degree.

4. Individual programs may have additional requirements over and above that which is required to gain University admission including a supplemental application, minimum GPA, pre-requisites courses, and test scores. Students should verify specific program requirements prior to starting the application process.

5. Upper division transfer students who meet minimum requirements are not guaranteed admission into FGCU.

J. TRANSFER WITH FLORIDA ASSOCIATE OF ARTS DEGREE

1. Admission of Associate of Arts (AA) degree graduates from Florida College System institutions, state colleges, and state universities will be governed by the Articulation Agreement between the state universities and Florida College System institutions, as approved by the Board of Governors and State Board of Education. These Florida
Associate in Arts graduates shall receive priority for admission over out-of-state transfer students. The agreement states that, except for limited access programs, admission as a junior to the upper division of the University may be granted to any graduate of a state-approved Florida College System institution or State University System institution who transfers to FGCU, who has completed the university parallel program, and who has received the AA degree which includes all of the following:

a. AA degree has been awarded and posted on official college transcript;

b. Completed at least sixty (60) semester hours of academic work excluding of occupational, remedial, and physical education courses;

c. Completed an approved general education program of at least thirty-six (36) semester hours; and

d. Has a minimum cumulative 2.0 GPA (on a 4.0 scale) as calculated by the University and is eligible to return as a degree-seeking student in good standing (with at least a 2.0 GPA) to the last institution attended.

2. Completion of requirements for English and mathematics courses as adopted by the Board of Governors and the State Board of Education. Each transfer student admitted to FGCU is expected to demonstrate competency of foreign language or American Sign Language equivalent to the second (2nd) high school level or higher (Spanish 2 for example). A limited number of students not meeting foreign language requirement may be admitted; however, these students must fulfill the foreign language requirement prior to completion of the baccalaureate degree.

3. Transfer students, both Lower Level and Upper Level, must submit an application for admission to the University and official transcripts from every post-secondary institution attended.

4. Individual programs may have additional requirements over and above that which is required to gain University admission including a supplemental application, minimum GPA, pre-requisites courses, and test scores. Students should verify specific program requirements prior to commencing the application process.

K. FORMER STUDENT RETURNING

A returning student is any former FGCU degree-seeking undergraduate student who has not earned a degree, who has not been enrolled at FGCU for at least a year, and who wishes to re-enroll. The former student must submit a new admission application by the appropriate application deadline. A new application fee is not required. To be readmitted, a student must:

1. (a) Be in good standing and eligible to return to the last institution attended, including FGCU; and
2. Have achieved a GPA of at least 2.0 on a 4.0 scale on all college-level academic courses attempted.

Students enrolled in an FGCU-Approved study abroad program are exempt from this requirement and will be permitted to re-enroll upon their return to FGCU.

L. INTERNATIONAL STUDENT ADMISSION

FGCU is authorized under Federal law to enroll non-immigrant students. Applicants are classified as international if they are not United States citizens, dual citizens, or permanent residents, and if they are applying for an F-1 student visa or a J-1 Exchange Visitor visa (Exchange visitors are classified as either scholar or student). International students may apply to study in any degree program or major for which the University has been granted authorization by the U.S. Department of Homeland Security, Student Exchange Visitor Program, or U.S. Department of State to enroll international students. Degree majors with program designs and limitations that do not comply with federal regulations or are pending federal approval are not open to international student applicants.

1. International students must meet admission criteria at the level of entrance for the program to which they apply, as well as the following:

   a. International students must have all credentials and admission information submitted to the Office of Undergraduate Admissions prior to the published deadline on the Admissions website for international students. Students whose applications are not completed by these respective dates (all elements of the application process including submission of required documents, transcripts and evaluations, test scores, and application fee, etc.) may be deferred to the next fall or spring term for admission.

   b. All coursework required for an admissions decision must be evaluated by an international evaluation agency. Agency recommendations are listed on the University’s international admission website. A course-by-course evaluation is required. The applicant pays for this service and contacts the evaluating agency directly.

   c. International students currently attending any institution in the United States must submit a visa clearance form issued by FGCU to be completed by their current school-designating Florida Gulf Coast University as their transfer institution and confirming their status as an F or J visa holder.

   d. Applicants must demonstrate English proficiency in accordance with University policy, and will be required to submit satisfactory evidence to demonstrate English proficiency based on the following options:

      1) TOEFL (Test of English as a Foreign Language) scores, unless the country of origin uses English as the official language.
a) A minimum score of 213 is required on the computerized TOEFL, 79 on the Internet-based TOEFL, and 550 on the paper-based TOEFL.

b) Some programs, including the MS in Health Science, require a TOEFL score greater than the minimum (see program requirements).

2) With the approval of the Assistant Vice President for University Admissions, the Director of Admissions, and the appropriate Dean, applicants may furnish satisfactory evidence of English competency in lieu of the TOEFL. Examples of satisfactory evidence include, but are not limited to:

a) Completion of the IELTS (International English Language Testing System, www.IELTS.org) with a minimum score of 6.5;

b) Completion of ENC 1101 and ENC 1102 (or equivalent) with a grade of C or higher;

c) Receipt of an AA degree from a Florida public institution; or

d) A Bachelor’s Degree from a U.S. regionally accredited institution.

e. The applicant must file a Certification of Finances Financial Statement confirming availability of specific funds to finance the first (1st) year of study before the University issues the appropriate documents for obtaining a visa.

f. A J-1 student’s Certification of Finances Financial Statement must document that the student is directly or indirectly financed by the U.S. government, the government of their home country, an international organization of which the U.S. is a member (by treaty or statute) or if they are substantially supported by funding from any source other than personal or family funds, including an FGCU tuition waiver.

g. No international student in F or J non-immigrant status shall be permitted to register, or continue enrollment, without demonstrating that the student has adequate medical insurance coverage for illness and accidental injury and which meets the minimum requirements set forth in FGCU Regulation PR4.008, International Student Insurance, and the Board of Governors BOG Regulation 6.009, Admissions of International Students to State University System (SUS) Institutions.

h. International students are subject to the same University policies and procedures that apply to all students, such as admission, enrollment, immunization, etc. Additionally, international students are obligated to follow and comply with the laws and regulations set by the United States Department of State, United States Department of Homeland Security and/or the United States Citizenship and Immigration Services, which may determine the student’s eligibility for enrollment, residency status, limitations on credit hours or semesters of study, limitations on enrollment of distance learning courses, and length of presence in the U.S.
M. ACADEMIC AMNESTY

A readmitted undergraduate student who has not been in attendance at FGCU for a period of at least five (5) years may apply to the Academic Standards Committee for academic amnesty. Specific details on the policy for amnesty, how to apply, and the conditions under which amnesty may be granted are published in the University Catalog by the Office of the Registrar.

N. SUBSTITUTION OR MODIFICATION OF ADMISSION REQUIREMENT

A student who is requesting a reasonable substitution or modification for any requirements for admission into an undergraduate program due to a disability must provide appropriate documentation (less than three (3) years old) that supports the ability to succeed at the university level. The Admissions Appeals Committee will review this petition for admission. The admission decision will be made on an individual basis from documentation provided by the student. If an admission test score is required for the specific category of undergraduate admission, the test score will not be waived.

O. PRIOR CONDUCT

1. Florida Board of Governors’ BOG Regulation 6.001, General Admissions, section (7), authorizes universities to refuse admission to applicants due to past misconduct. The Dean of Students, or designee, reviews all applications disclosing information regarding any academic or conduct violation. Applicants must submit to the Office of Undergraduate Admissions Student Conduct Office information regarding academic or legal violation including, but not limited to, criminal charges, convictions, criminal traffic violations, a conduct case at another institution, or pending FGCU Student Code of Conduct charges. Decisions are made in the best interest of the University community consistent with state and federal law. The Admissions Prior Conduct Procedure Manual contains guidelines to review these disclosures and will be used in the review of conduct prior to admissions.

2. A misrepresentation in the response to the conduct history questions may result in a rescinding of admission.

P. APPEALING ADMISSIONS DECISIONS

1. Applicants denied admissions may appeal the decision to the Admissions Appeals Committee by sending a written request and including new and compelling information that was not part of their original application. The Committee schedules meetings throughout the fall and spring semesters. Notification of the Committee’s decision will be sent in writing within ten (10) days after the Committee has reviewed the appeal. The Committee is chaired by the Associate Director of Admissions Operations and is comprised of five faculty representatives from each of the five Colleges, plus non-voting representatives from Adaptive Services.
2. Applicants denied admission should submit letters of recommendation, additional test scores, or transcripts, disability documentation (if applicable), or personal statements/essays to the Admissions Appeals Committee through the Office of Undergraduate Admissions.

3. If students are admitted to the University yet denied admission to a limited access program, an appeal should be made to the specific program appeals committee.

Q. DEFERRING OR CHANGING ADMISSION TERM

A student who does not enroll into the term to which he or she has been admitted may defer or change admission to a future term by submitting a Change of Term form to the Office of Undergraduate Admissions. Admission in the new term is not automatic, and a student requesting a new term must meet the admission requirements in effect for the new term. Entry dates for some programs are limited to specified terms. If a student attends another post-secondary institution in the interim, a new application for admissions is required as well as official transcripts of all classes attempted. an official transcript of all work attempted is required. Deferrals will only be considered for up to one year. A new application and application fee are required when deferring admission to a term beginning more than two (2) terms after the original admission term or if the students requests a change of term for the second (2nd) time.

R. TRANSFER OF COURSEWORK

1. The Office of Undergraduate Admissions is responsible for receiving and evaluating transfer credit. The office evaluates the acceptability of total credits transferable to FGCU and identifies total credits accepted at the lower division (1000 and 2000 level courses). The college of the student’s major assigns equivalent upper division (3000 and 4000 level) courses and graduate (5000 and 6000 level) courses in determining which courses are applicable toward specific degrees.

2. The University reserves the right to evaluate transfer courses on an individual basis. Age and concordance of content to current requirements may be factors in determining course transfer and acceptance toward degrees; individual colleges and programs have the authority to establish age standards for acceptance of transfer courses.

3. FGCU evaluates transfer coursework taken at another college or university if that institution is accredited, or in candidacy for accreditation, by one (1) of the following regional accrediting associations:

a. New England Association of Schools and Colleges, Inc. /Commission on Institutions of Higher Education;

b. Middle States Association of Colleges and Secondary Schools;
c. Higher Learning Commission;

d. Northwest Commission on Association of Schools and Colleges;

e. Southern Association of Colleges and Schools/Commission on Colleges; or

f. Western Association of Schools and Colleges/Accrediting Commission for Senior Colleges and Universities and Accrediting Commission for Community and Junior Colleges.

Notwithstanding, transfer credit from all post-secondary education institutions will be considered on a case-by-case basis.

4. General guidelines for awarding transfer credit:

a. Credit is not given for technical, vocational, physical education, or pre-college courses, or for courses completed below a grade of D-.

b. Credit by departmental examination from another institution and credits awarded by another institution solely based on SAT or ACT scores will not be accepted by FGCU.

c. Courses with a transfer grade of C- or below may not be used toward satisfaction of computational and communication requirements.

d. An equivalent FGCU course number will be entered on the student’s official academic transcript.

e. Transfer credits will not be computed into a student’s FGCU institutional GPA for FGCU coursework, but will be included in the student’s overall GPA.

f. All coursework completed in an international post-secondary institution required for an admissions decision must be evaluated by an international evaluation agency. Agency recommendations are listed on the international admission website. A course-by-course evaluation is required. The applicant pays for this service and contacts the evaluating agency directly.

g. All transfer credit evaluations are completed during the evaluation process to determine admission to the University. Only official transcripts will be evaluated.

h. Transfer students from non-regionally accredited Florida institutions that follow the state common course numbering system may have a limited number of courses credited.

i. Transfer of credit from an institution based on the quarter system will be converted to the semester system by multiplying the credit by a factor of .67.
j. Transfer credit earned through the Statewide Course Numbering System is acceptable, based on the System’s guidelines.

5. College Credit for Military Training and Education Courses:
   
a. The Office of Undergraduate Admissions office shall review college credit submitted by an applicant which was earned through military training or coursework which is recognized by the American Council on Education (ACE).

b. The Office of Undergraduate Admissions office shall utilize the ACE Guide to the Evaluation of Educational Experiences in the Armed Services (as listed on the Joint Services Transcript (JST) or the Community College of the Air Force Transcript (CCA)) in order to determine equivalency and alignment of military training or coursework with University courses.

c. If it is determined that the military training or coursework is equivalent to and fulfills a general education or major course or degree program requirement, the training or coursework will be credited towards the student’s degree plan. Alternative course credit, including free elective course credit, will be granted if the coursework is not equivalent to a general education, major course, or degree program requirement.

d. Articulation credit earned via military training and coursework that was previously evaluated and awarded by a college degree granting institution, which is part of the State University System of Florida, and that is appropriate to the transfer student’s major at the University, will be accepted, subject to the University’s limit on the amount and level of transfer credit allowed for a given degree.

e. Credit awarded for military education and training shall be noted on the student’s transcript and documentation of the credit equivalency evaluation shall be maintained in the student’s education record.

6. College Credit for Online Courses Completed Prior to Initial Enrollment

a. If requested by an applicant prior to the student’s initial term of enrollment in undergraduate education, FGCU shall evaluate online coursework. Credit will be awarded if the academic program determines the online course content and learning outcomes are comparable to FGCU offered courses, the online course meet the quality and accreditation standards intended for transfer courses, and the online course is relevant to the applicant’s intended program of study.

b. It is the applicant’s responsibility to initiate the request for review of such online coursework. The request should be made to the Office of Undergraduate Admissions and include an official transcript, course description, and syllabus. Additional documentation made be required as determined by the reviewing academic program.
c. A student denied transfer of online coursework may submit a written appeal to the appropriate college Dean.

d. Credit awarded by the University for online coursework will be noted on the student’s transcript.

S. SECOND BACCALAUREATE DEGREE

Graduates from regionally accredited four-year U.S. institutions may apply for admission to work toward a second (2nd) undergraduate degree. The first (1st) baccalaureate degree satisfies the general education requirement and provides exemption from the foreign language requirement for admission. Second (2nd) baccalaureate degree applicants should submit all transcripts and an undergraduate application for acceptance into the University. Individual programs may have additional requirements over and above that which is required to gain University admission, including a supplemental application, minimum GPA, pre-requisites courses, and test scores. Students should verify specific program requirements prior to commencing the application process.

T. LANGUAGE ADMISSION REQUIREMENT

All admitted undergraduate students must satisfy the statewide foreign language admission requirement or meet exemption criteria. Applicants whose native language is not English must also satisfy this requirement, but may do so with appropriate course work in their native language. The language admission requirement for each type of applicant is described above.

A student may be exempt from the state university foreign language requirement if one (1) of the following criteria is met:

1. Received an AA degree from a Florida College System institution prior to September 1, 1989;

2. Enrolled in an AA program at Florida College System institutions prior to August 1989 and maintained continuous enrollment until admission to and enrollment in FGCU;

3. Has a baccalaureate degree from a regionally accredited college or university; or

4. Can demonstrate equivalent foreign language competence through credit awarded on the basis of scores on the foreign language subject matter examinations in the College Level Examination Program (CLEP), which must be equivalent to elementary level two (2) coursework.

U. DEGREE ACCELERATION PROGRAMS

College credits earned by high school or college students on the basis of the College Board’s Advanced Placement Program (AP), College Level Examination Program (CLEP), Advanced Placement Credit, and CLEP Credit, are accepted for entrance to Florida Gulf Coast University and for credit toward a degree. Credit is granted based on the student’s academic background and the rigor of the college-level course taken.
International Certificate of Education Program (AICE), or the International Baccalaureate Program (IB) will be accepted. Credit received from one exam program may not be duplicated by another, nor duplicated through dual enrollment credit. A maximum of forty-five (45) semester hours of AP, CLEP, AICE, and IB credits can be applied toward a degree. For students with more than forty-five (45) applicable credits, AP, AICE, and IB credits will be transferred before evaluating other credits. AP, IB, and CLEP information regarding courses and areas for which FGCU credit may be assigned is subject to change. The State Articulation Coordinating Committee, a joint committee of the Department of Education and the Board of Governors BOG, establishes the passing scores and course equivalencies for these programs. Current approved scores and equivalent courses are maintained in the University Catalog.

1. Advanced Placement Program (AP). Students must submit an official Advanced Placement transcript from The College Board as evidence of completion of a college-level course taken in high school. If the examination results meet the requirements in the equivalency table listed in the University catalog, the student may be given University credit. The courses listed indicate the FGCU course equivalency that will appear on the student’s FGCU transcript. AP equivalence will count toward communication and computational skills requirements. AP credit will appear on the student’s permanent record.

2. College Level Examination Program (CLEP). Students must submit an official transcript from The College Board for scores to be considered for credit. CLEP examination scores must meet the minimum standards established by the State University System and FGCU. CLEP credit will appear on the student’s permanent record. CLEP credit will count toward communication and computational skills requirements. CLEP credit does not factor into the GPA because a grade is not associated with CLEP credit.

3. International Baccalaureate Program (IB). Students may be awarded up to thirty (30) semester hours of credit in FGCU courses for scores of four (4) or higher on IB exams, in accordance with the equivalency table in the University catalog. IB equivalence will count toward communication and computational skills requirements.

4. Advanced International Certificate of Education Program (AICE). Like the International Baccalaureate program, the AICE program is an international curriculum and examination program modeled on the British pre-college curriculum and “A-Level” exams. Students may be awarded up to thirty (30) credits earned via the AICE program. Course grade equivalency is based on the schedule found in the University Academic Catalog.

5. Military Service. Official credentials from military service schools will be evaluated on the basis of American Council on Education (ACE) recommendations. Credit may be granted when courses are equivalent to those offered by FGCU; however, recommendations by the ACE are not binding upon the University.

6. Dantes Subject Standardized Tests (DSST). These tests are designed to test student’s
knowledge in a variety of college-level subjects and credit will be accepted based on recommendations for exams and passing scores as determined by the State Articulation Coordinating Committee.

7. Credit by Examination. FGCU colleges and departments may offer examinations for academic credit to undergraduate students upon request. The colleges or departments must be directly contacted concerning the availability of examinations.

V. IMMUNIZATION REQUIREMENT

As a prerequisite to registration as a degree-seeking or non-degree-seeking student, FGCU requires all students born after December 31, 1956, to present documented proof of immunity to measles (Rubella), mumps, and Rubella (MMR). All students need to be vaccinated against meningitis and hepatitis B diseases or sign a waiver (if they are over 18 years of age). Prior to initial registration, each student must submit a completed FGCU Immunization History Form to Student Health Services. Students are strongly urged to complete this requirement before attending Orientation.

1. The foregoing requirements may be satisfied by submitting the following acceptable proofs of immunization and vaccines:

   a. Proof of two (2) MMR or measles, mumps, rubella, varicella (MMRV) vaccinations received at least twenty-eight (28) days apart after twelve (12) months of age; or Proof of immunity by way of a blood test result (titer); or
   
   b. Proof of meningitis and hepatitis B vaccines or sign a waiver (if over eighteen (18) years of age).

2. Questions about alternative means of acceptable proof, exemptions, or temporary deferments may be directed to Student Health Services.

3. The University reserves the right to refuse registration to any student who fails to satisfy these requirements or whose health record or report of medical examination indicates the existence of a condition which may be harmful to members of the University community.

4. Notwithstanding the foregoing requirements, students who register only for University courses to be taken solely in an off-campus setting shall not be required to present documented proof of measles, mumps, and rubella immunization. However, should such student subsequently enroll in a program or course requiring the student’s presence on campus, then such student must present documented proof of MMR immunization prior to beginning that course or program.

5. Notwithstanding the foregoing requirements, students who register through FGCU Complete may sign a waiver as to the MMR vaccine.
W. NON-DEGREE SEEKING ENROLLMENT

Non-degree seeking enrollment allows a student to enroll in courses on a space available basis and has been established for those individuals who do not have an immediate intention to pursue a degree program. Former degree seeking students at FGCU who have not completed a degree program will not normally be permitted to enroll in a non-degree seeking category. Successful completion of courses while in this classification does not provide a basis for regular admission at a later date. Students seeking graduate courses on a non-degree-seeking basis are considered Post-Baccalaureate (Post-Bac) and should reference Graduate Admissions requirements.

1. Students enrolling in this classification are subject to the following regulations:

   a. Non-degree seeking students are subject to the same University rules and regulations as degree seeking students.

   b. International students may only enroll as non-degree seeking students with permission from the University due to limitations of certain visa statuses and federal regulations.

   c. Non-degree seeking students are not eligible to receive financial aid.

   d. Non-degree seeking students are not eligible to stay in University housing or to receive University honors.

   e. A degree-seeking student denied admission to FGCU may not subsequently enroll as a non-degree seeking student. This restriction will be waived if the student, subsequent to the denial from FGCU, has completed a degree program or has been a student in good academic standing at another postsecondary institution. Official transcripts will be required in these cases.

   f. A non-degree seeking student dismissed from the University will not be eligible for admission as a degree-seeking student.

   g. A non-degree seeking student is limited to fifteen (15) credit hours of undergraduate coursework. A college may waive this restriction for students wishing to enter specific degree programs in special circumstances.

   h. Hours taken at FGCU as a non-degree-seeking student cannot be used to meet the sixty (60) transferable hours required for admission as an upper division student.

   i. A non-degree seeking student must be in good academic standing at his or her previous institution (including FGCU) and eligible to return.

   j. Registration for classes is on a space available basis, subject to any required course prerequisites and other restrictions as determined by the applicable College or
Program.

k. Registration is in accordance with the deadlines posted on the academic calendar.

l. First-time-in-college FTIC students will not be allowed to enroll as a non-degree seeking status student.

2. Application Procedure

Application procedures for non-degree seeking students or transient students are provided on the undergraduate admissions website and the Office of the Registrar’s website.

Action by Florida Gulf Coast University Board of Trustees
Approved 06/07/2016

Action by Florida Board of Governors
Approved 09/15/2016

Specific Authority
Chapter 1007, Part II, Florida Statutes; Board of Governors Regulations 1.001, 6.001, 6.002, 6.004, 6.005, 6.006, 6.007, 6.009, 6.018, and 6.020; Section 504 of the Rehabilitation Act of 1973

History of Regulation
New 04/21/09; Amended 09/23/10, 07/11/14, 10/08/15, 09/15/16

Approved by Florida Gulf Coast University Board of Trustees

Approved by Florida Board of Governors

Effective Date of Regulation
09/15/2016
PROPOSED BOARD ACTION

Ratify the agreed upon changes bargained during the 2018-19 Collective Bargaining Agreement re-opener session.

BACKGROUND INFORMATION

The Florida Gulf Coast University Board of Trustees and the United Faculty of Florida, Florida Gulf Coast University Chapter (UFF) have negotiated on the 2018-2019 re-opener to the 2018-2021 (full-book) Collective Bargaining Agreement. The Articles discussed during the re-opener were: Article 23 Salaries, Article 24 Benefits, Article 22 Sabbaticals, Article 6 Nondiscrimination, and Article 3 UFF-FGCU Privileges. The parties started negotiations in October of 2018 and reached a tentative agreement (TA) in November of 2019. An FGCU faculty vote to ratify the 2018-2019 Collective Bargaining Agreement (CBA) re-opener will be conducted in December, 2019. If ratified, the Agreement will be considered for approval by the FGCU Board of Trustees during its January 14, 2020 meeting.

Supporting Documentation Included: (1) UFF-FGCU Chapter Ratification Bulletin from UFF to In-Unit Faculty, (2) Signed Amendments to the 2018-2021 Full-Book Agreement which resulted in Changes from the 2018-2019 Re-Opener Discussions, and (3) Memorandum of Agreement.

Prepared by: Associate Provost and Associate Vice President Tony Barringer

Legal Review: Vice President and General Counsel Vee Leonard (December 9, 2019)

Submitted by: Provost and Vice President for Academic Affairs James Llorens
Ratification Bulletin and Ballot
2019-2020

UFF-FGCU Chapter and the FGCU Board of Trustees
2019-2020 reopener Collective Bargaining Agreement

Please vote YES or NO:

“I approve the 2019-2020 reopener of the Collective Bargaining Agreement”

(see a summary of contract changes on the reverse side of this ballot)

YES ☐ NO ☐

To complete voting, please:

1. After you have checked the box that represents your vote, place your marked ballot in the empty (unmarked) envelope provided
2. Seal the unmarked envelope and place this envelope in the second envelope (that is addressed to UFF-Secretary: Nora Demers). Seal the second envelope, then on the back legibly print your name and sign your name across the sealed flap. (This is because we need to validate your eligibility to vote before we count the ballots).

To turn in your ballot, you may do any of the following by 1:00pm, Friday December 13th:

Interoffice mail or hand-deliver the ballot to UFF-FGCU Secretary Nora Demers, Whitaker Hall 218 by Friday, December 13th at 1:00pm.

Present the ballot at the Ratification meeting on Friday, December 13th from 1:00pm-3:00pm in Whitaker Hall 227.

Send via US Postal Service to Nora Demers, 10501 FGCU Blvd. South, Whitaker Hall 218, Fort Myers, FL 33965. Envelope must be postmarked no later than December 13th.

Questions about this process can be answered by contacting Nora Demers at 590-7211 or ndemers@fgcu.edu
Votes will be counted Friday, December 13th from 1:00pm-3:00pm in Whitaker Hall 227. Results will be announced immediately via e-mail.

A vote of “YES” means accepting the following:

1. Agreements for the current bargaining session:

   A. Salary adjustments for 2019/2020:

      2% across the board with a $2000 minimum. The rationale as presented to us was, quote: "This new minimum actually [affects] more than 390 faculty members in that their raise would be more than 2%; in some cases, much more. Individuals making $80,000 or less actually [get] greater than a 2.5% with $100,000 being the 2% threshold." In other words, everyone making $99,999 or less would receive a base salary increase of two thousand dollars, which to a great deal of faculty amounts to well over 2%. Those making more than $100,000 would receive 2%, which amounts to more than $2,000. These increases would be retroactive to August 7th, 2019.

   B. Beginning salary (Article 23) negotiations 30 days prior to the legislative session in order to avoid lengthy delays to future annual salary adjustments

   C. $1000 base salary increase for Excellence Award winners

   D. Change to the sabbatical ratio to allow for one (1) extra one-semester sabbatical

   E. Change to UFF’s course release formula to allow additional releases for officers, permitting more focused recruitment, bargaining, and grievance/informal resolution efforts.

2. Agreements for next bargaining session:

   Suspending the rules for 2020/2021’s re-opener negotiation to allow UFF and management to open more than two articles each for bargaining, which keeps items like paid family leave in play without waiting two years for a full-book negotiation

You can find all relevant documents (revised contract language, Memoranda of Understanding, Tentative Agreements) to this negotiation at http://www.uff-fgcu.org/collectivebargaining.html

Questions about this process can be answered by contacting Nora Demers at 590-7211 or ndemers@fgcu.edu
Article 3: UFF-FGCU Privileges

On May 1 of each year, the University & UFF-FGCU will determine the number of full-time, in-unit faculty members. The Board agrees to provide one unit (0.25 FTE) release time during each twelve-month period beginning with the fall semester of each year per 55 full-time, in-unit faculty members. It will provide the release time to full-time faculty members designated by the UFF for the purpose of carrying out the UFF-FGCU’s obligations in representing faculty members and administering this agreement. The UFF-FGCU may reserve or bank the use of up to two (2) of the release time units provided during each academic year to be distributed for periods of negotiations during any twelve-month period. The UFF-FGCU shall designate employees to receive release time during the academic year, subject to the following conditions:
22.3 Sabbaticals.

A. Policy. Sabbaticals for professional development are to be made available to employees who meet the requirements set forth below. Such sabbaticals are granted to increase an employee’s value to the University through enhanced opportunities for professional renewal, planned travel, study, formal education, research, writing, or other experience of professional value, not as a reward for service.

B. Types of Sabbaticals.

(1) The University will make available to each employee whose application has been reviewed by the University a sabbatical for two (2) semesters (i.e., one (1) academic year) at half-pay, subject to the conditions set forth below. The University may, with the approval of the UFF-FGCU, provide sabbaticals that are equivalent to the two (2) semester half-pay sabbaticals.

(2) Each year, the University will make available one, single-semester, full-pay sabbatical for each thirty (30) eligible employees, subject to the conditions set forth below. The University may, with the approval of the UFF-FGCU, provide sabbaticals that are equivalent to the one (1) semester full-pay sabbaticals.

\[ \text{Signature} \quad 12/4/19 \]

\[ \text{Signature} \quad 12/4/15 \]
ARTICLE 23

Salaries

23.1 Policy. The parties of this Agreement recognize the importance of providing appropriate compensation as an essential component in the delivery of quality higher education, scholarship, and service to the institution, community, and profession. To that end, the parties are committed to working toward the strategic goals of Florida Gulf Coast University, especially high quality education, quality improvement, and hiring and retaining talented and dedicated faculty through competitive compensation and support. This is a policy statement and is not subject to Article 20, Grievance Procedure.

23.2 Promotions.

A. Promotion shall be granted to employees pursuant to the promotion process in Article 14.

B. All employees approved for promotion after August 2018 will receive a 13% increase to their previous year's base salary.

C. For 2019-2020 promotion increases will be effective as of August 7, 2019.

23.3 Eligibility.

A. For 2019-20, an in-unit employee who was employed by the University on or before July 1, 2019, and anticipated to continue employment during the full 2019-2020 academic year, shall be eligible for any legislatively mandated adjustment to base salary and/or other identified compensation to employees, as applicable (Article 23.4), as well as any University-provided base salary increase and/or any non-recurring compensation to employees, as applicable for 2019-2020 (Article 23.4), if their most recent annual performance evaluation is at least "overall I satisfactory".

B. Contract and Grant funded employees who are eligible pursuant to Article 23.3A above, shall receive compensation adjustments equivalent to similar employees on Education and General (E&G) funding, provided that such salary increases are permitted by the terms of the contract or grant or the rules of the funding agency.

23.4 Faculty Compensation

A. The University shall provide a pool of such an amount as needed to fund promotion increases to faculty who have been promoted. The amount will be sufficient to provide base salary increases for in-unit faculty who were approved for promotion. Such increases will be effective on August 7 following promotion.

B. Base Salary Adjustment. For 2019-2020, the University shall provide all eligible employees a 2% base salary increase. The base salary adjustment will be computed according to the rate of pay in place August 7, 2019. Eligible faculty will receive the greater of $2,000 (if base annual salary is less than $100,000) or a 2% increase (if base annual salary is at least $100,000) to base pay.
23.1 Policy. The parties of this Agreement recognize the importance of providing appropriate compensation as an essential component in the delivery of quality higher education, scholarship, and service to the institution, community, and profession. Negotiations of this Article will begin 30 days prior to the start of the annual State Legislative session. To that end, the parties are committed to working toward the strategic goals of Florida Gulf Coast University, especially high quality education, quality improvement, and hiring and retaining talented and dedicated faculty through competitive compensation and support. This is a policy statement and is not subject to Article 20, Grievance Procedure.
23.4 Faculty Compensation.

D. Excellence Awards. Beginning AY 2019/2020, recipients of individual Teaching, Scholarship, and Service Excellence Awards will be awarded a base salary increase of $1,000.
MEMORANDUM OF AGREEMENT

This memorandum of agreement (MOA) is entered into this _4_ day of _December_ 2019 between the Florida Gulf Coast University Board of Trustees ("BOT") and the United Faculty of Florida – FGCU Chapter ("UFF").

Whereas, the UFF is the certified bargaining agent for all in-unit faculty of the Florida Gulf Coast University.

The parties agree to suspend the two-Article per party limit for the 2019-2020 reopener. This allows the flexibility to continue discussion(s) on the following topics:

- Deadlines for completion of a compression and inversion study, a diversity bias study of salaries and promotions, and a market study of faculty compensation
- Automatic minimum base salary increases tied to cost of living increases
- Merit-based salary increases for highest ranked faculty
- Recurring professional development funding
- Paid family leave

This MOA does not obligate the parties to reach an agreement on any of these topics during 2019-2020 bargaining.

UNITED FACULTY OF FLORIDA

By: Patrick Niner, MA
UFF-FGCU Chapter Co-President

Date: 12/1/19

By: Scott Michael, PhD
UFF-FGCU Co-President

Date: 12/4/19

FGCU BOARD OF TRUSTEES

By: __________
Tony A. Barringer, EdD
Associate Provost

Date: 12/4/19
TAB 11 – REMOVED FROM AGENDA
ITEM: 12

Florida Gulf Coast University Board of Trustees
January 14, 2020

SUBJECT: FGCU Regulation 7.003 Special Fees (Library Fines)

PROPOSED BOARD ACTION

Revise FGCU Regulation 7.003 Special Fees to eliminate the Overdue Library Material Fee (see Line #7 of the Regulation) and only charge students for Damaged or Lost Materials as described in the Regulation.

BACKGROUND INFORMATION

Students are blocked from registering for, adding, or dropping classes when they have unpaid overdue fines for the late return of library materials. A student may encounter these blocks from overdue fines when they owe as little as $3.00 up to a cap of $6.00 per book. We can remove this barrier for students and meet our obligation for responsible stewardship of the library’s collection by only charging students if they fail to return an item after 60 days, and faculty after 120 days.

After 60 days for students or 120 days for faculty, unreturned books are listed as “Lost,” and borrowers will be billed to replace the lost items.

This change keeps other fines and fees intact for specialty items, as for example, the late return of interlibrary loan items, reserve materials, or equipment.

Supporting Documentation Included: Notice and Text for FGCU Regulation 7.003 Special Fees

Prepared by: Interim Dean of Library Services Barbara Stites

Legal Review: Vice President and General Counsel Vee Leonard (December 8, 2019)

Submitted by: Provost and Vice President for Academic Affairs James Llorens
NOTICE OF REGULATORY ACTION

REGULATION TITLE:
Special Fees

REGULATION NO:
7.003

SUMMARY:
This regulation is amended to eliminate the overdue library material fee (per day).

FULL TEXT:
The full text of the regulation being proposed is attached and can also be found at
https://www.fgcu.edu/generalcounsel/regulations/

AUTHORITY:
BOG Regulation 1.001, University Board of Trustees Powers and Duties
BOG Regulation 7.003, Fees, Fines, and Penalties

UNIVERSITY OFFICIAL INITIATING THE PROPOSED/REVISED REGULATION:
James Llorens, Interim Provost and Vice President for Academic Affairs

UNIVERSITY OFFICIAL APPROVING THE PROPOSED/REVISED REGULATION:
Steve Magiera, Vice President for Administrative Services and Finance

CONTACT INFORMATION REGARDING THE PROPOSED/REVISED REGULATION:
Todd Caraway
Office of the General Counsel
10501 FGCU Blvd. S., Fort Myers, FL 33965-6565
(P): 239.590.1101 | (F): 239.590.7470 | Email: gco@fgcu.edu

Any person may submit written comments concerning a proposed regulation, amendment, or repeal to the contact person identified above within 14 days after the date this notice was posted. The comment(s) must identify the regulation to which you are commenting.

THIS NOTICE WAS POSTED ON THE FGCU WEBSITE ON DECEMBER 9, 2019.
A. The fees listed in this section will be assessed by the University.

<table>
<thead>
<tr>
<th>Fee</th>
<th>Amount</th>
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<tbody>
<tr>
<td>1. Non-Refundable Application Fee</td>
<td>$30.00</td>
</tr>
<tr>
<td>2. Non-Refundable Orientation Fee</td>
<td>$35.00</td>
</tr>
<tr>
<td>3. Security, Access or Identification Cards:</td>
<td></td>
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<tr>
<td>a. Annual Fee for Card</td>
<td>$10.00</td>
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<tr>
<td>b. Fee for Replacement Card</td>
<td>$15.00</td>
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<tr>
<td>4. Fee for Transcripts</td>
<td>$10.00</td>
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<tr>
<td>5. Fee for Diploma Replacement</td>
<td>$10.00</td>
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<tr>
<td>6. Course-related Fee for Materials and Supplies consumed during</td>
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<tr>
<td>instructional activities</td>
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<tr>
<td>7. Overdue Library Material Fee (per day)</td>
<td>$0.25</td>
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<tr>
<td>8. Overdue Library Reserve Material Fee – per item, per hour</td>
<td>$0.25</td>
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<tr>
<td>9. Interlibrary Loan Fee</td>
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<td>10. Literature Search Fee</td>
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<td>11. Damaged/Lost Library Materials</td>
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<tr>
<td>12. Late Return of Equipment Fee (per day)</td>
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<tr>
<td>13. Equipment or Facilities Use, Damage or Loss</td>
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<tr>
<td>14. Duplicating, Photocopying, Binding Microfilming and Copyrighting Fees</td>
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<tr>
<td>15. Standardized Testing Fees</td>
<td></td>
</tr>
<tr>
<td>16. Returned Check Fee for Unpaid Checks as authorized by Section</td>
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<tr>
<td>832.07(1), F.S. as follows:</td>
<td></td>
</tr>
<tr>
<td>a. Service charge of $25.00, if the face value of the check is</td>
<td></td>
</tr>
<tr>
<td>$50.00 or less;</td>
<td></td>
</tr>
<tr>
<td>b. Service charge of $30.00, if the face value of the check is</td>
<td></td>
</tr>
<tr>
<td>between $50.01 and $300.00; or</td>
<td></td>
</tr>
<tr>
<td>c. Service charge of $40.00, if the face value of the check exceeds</td>
<td></td>
</tr>
<tr>
<td>$300.00, or an amount of up to 5% of the face amount of the</td>
<td></td>
</tr>
<tr>
<td>check, whichever is greater.</td>
<td></td>
</tr>
<tr>
<td>17. Returned Electronic Payment Fee for Unpaid ACH or other</td>
<td></td>
</tr>
<tr>
<td>electronic payments shall be processed in the same manner as a</td>
<td></td>
</tr>
<tr>
<td>returned check following Florida Statute 832.07(1) as follows:</td>
<td></td>
</tr>
</tbody>
</table>

Effective Date of Regulation: 07/05/11
a. Service charge of $25.00, if the face value of the electronic payment is $50.00 or less;
b. Service charge of $30.00, if the face value of the electronic payment is between $50.01 and $300.00; or
c. Service charge of $40.00, if the face value of the electronic payment exceeds $300.00, or an amount of up to 5% of the face amount of the electronic payment, whichever is greater.

18. Miscellaneous Health-Related Charges for Services at the Health Center
   Cost
19. Fee for Collection of Overdue Accounts
   Cost
20. Additional Fee for Off-Campus Course
   Cost
21. Non-Refundable Admissions Deposit $200.00

B. The term “cost” as used in this provision includes those increased costs to the University that are reasonable, specific, identifiable and directly related to the goods or services.

Specific Authority:
BOG Regulations 1.001, University Board of Trustees Powers and Duties
BOG Regulation 7.003, Fees, Fines, and Penalties

History of Regulation:
New 11-13-05, Amended 06-29-06, Amended 06/21/10, Amended 07/05/11

History of Predecessor Rule:
New 01-26-03, Amended 09-04-03, 09-28-04.

Approved Action by Florida Gulf Coast University Board of Trustees:
Approved: 06/21/11

Approved Action by the Florida Board of Governors:
Approved: 07/05/11

Effective Date of Regulation:
07/05/11
Florida Gulf Coast University Board of Trustees
January 14, 2020

SUBJECT: Finance/Budget Update

PROPOSED BOARD ACTION

Information only

BACKGROUND INFORMATION

This report details the fiscal activities of the institution through the close of December 31, 2019.

Supporting Documentation Included: (1) Summary Memo, and (2) Finance/Budget Update

Prepared by: Assistant Vice President for University Budgets David Vazquez

Legal Review: N/A

Submitted by: Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera
TO: FGCU Board of Trustees  
FROM: Steve Magiera  
SUBJECT: Finance Budget Update  
DATE: January 14, 2020

We are presenting to you the budget update projected through the end of December 2019. We are now fifty percent complete for the fiscal year.

Revenues:
Total revenues have a favorable variance of 1.16%, which equates to approximately $1.5 million.

There are two line items with a variance greater than five percent.
Concessions (-22.5% or $36,000). Very small numbers and is less than our $2 million threshold for explanations.
Financial Aid (8.26% or $1.3 million). Annually, Financial Aid is a difficult item to budget as we are projecting in May the needs of students who do not arrive on campus until August. Usually if we have an increase in the Financial Aid revenues, we will see an increase in actual Financial Aid expenditures over budgets and we do see that here on these statements.

Expenditures:
Total expenditures have a favorable variance 3.55%, which equates to approximately $4.7 million.

There are four line items with a variance greater than five percent.
Other Personal Services (7.62% or $489,000). When the university’s colleges and departments have delays in hiring, they often hire adjuncts or temporary workers to fill in the gaps. This results in a negative variance in Other Personal Services but also has the effect of a positive variance in the Salaries and Benefits line item.
General Expenditures (-14.60% or $3.9 million). General Expenditures generally lag as colleges and departments want to make sure there are no budget reductions by the Governor or Legislature. This year some departments have moved a small amount of their budgets from General Expenditure to Capital Expenditures. (See next paragraph)

Capital Expenditures (100.17% or $351,000). This is a very small number but when we investigated we found that a couple of departments have transferred budget from the General Expense to Capital Expense line items in order to purchase a few unexpected items such as additional ice tanks for the Chiller Plant and refrigeration equipment for food service. These are expected to result in a permanent difference but again only $351,000.

Financial Aid (5.50% or $972,000). As noted on the revenue side, when the Financial Aid revenues exceed budgeted amounts, we are almost guaranteed to exceed budget on the expenditure side.
## Grand Summary

<table>
<thead>
<tr>
<th>Summary of Revenues</th>
<th>FY 19-20 Original Budgeted Revenues</th>
<th>FY 19-20 Amended Budgeted Revenue</th>
<th>Budgeted Revenue Through December</th>
<th>Projected Revenue Through December</th>
<th>Projected Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Revenue</td>
<td>96,628,817</td>
<td>96,128,817</td>
<td>48,304,731</td>
<td>48,377,153</td>
<td>0.15%</td>
</tr>
<tr>
<td>Tuition &amp; Fees</td>
<td>58,520,724</td>
<td>58,520,724</td>
<td>29,201,841</td>
<td>29,364,471</td>
<td>0.56%</td>
</tr>
<tr>
<td>Lottery</td>
<td>9,539,051</td>
<td>9,539,051</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Student Activity Revenue</td>
<td>4,518,390</td>
<td>4,518,390</td>
<td>2,168,827</td>
<td>2,118,199</td>
<td>-2.33%</td>
</tr>
<tr>
<td>Athletic Revenue</td>
<td>12,525,999</td>
<td>12,525,999</td>
<td>4,008,320</td>
<td>4,118,965</td>
<td>2.76%</td>
</tr>
<tr>
<td>Concessions</td>
<td>527,000</td>
<td>527,000</td>
<td>158,100</td>
<td>122,533</td>
<td>-22.50%</td>
</tr>
<tr>
<td>Financial Aid Revenue</td>
<td>33,465,000</td>
<td>33,465,000</td>
<td>15,477,563</td>
<td>16,755,668</td>
<td>8.26%</td>
</tr>
<tr>
<td>Grant Associated Revenue</td>
<td>12,079,181</td>
<td>12,079,181</td>
<td>4,952,464</td>
<td>4,777,349</td>
<td>-3.54%</td>
</tr>
<tr>
<td>Auxiliary Revenue</td>
<td>51,335,975</td>
<td>51,335,975</td>
<td>25,667,988</td>
<td>25,812,144</td>
<td>0.56%</td>
</tr>
<tr>
<td><strong>Summary of Revenues</strong></td>
<td><strong>279,140,137</strong></td>
<td><strong>278,640,137</strong></td>
<td><strong>129,939,833</strong></td>
<td><strong>131,446,483</strong></td>
<td><strong>1.16%</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Summary of Expenditures</th>
<th>FY 19-20 Original Budgeted Expenditures</th>
<th>FY 19-20 Amended Budgeted Expenditures</th>
<th>Budgeted Expenditures Through December</th>
<th>Projected Expenditures Through December</th>
<th>Projected Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and Benefits</td>
<td>143,588,277</td>
<td>147,364,576</td>
<td>72,327,745</td>
<td>69,836,216</td>
<td>-3.44%</td>
</tr>
<tr>
<td>Other Personal Services</td>
<td>13,161,849</td>
<td>13,318,610</td>
<td>6,412,664</td>
<td>6,901,619</td>
<td>7.62%</td>
</tr>
<tr>
<td>General Expense</td>
<td>48,982,829</td>
<td>53,564,516</td>
<td>26,390,962</td>
<td>22,536,910</td>
<td>-14.60%</td>
</tr>
<tr>
<td>Capital Expenditures</td>
<td>947,597</td>
<td>947,597</td>
<td>350,117</td>
<td>700,843</td>
<td>100.17%</td>
</tr>
<tr>
<td>Financial Aid/Scholarship</td>
<td>36,116,018</td>
<td>36,116,515</td>
<td>17,666,329</td>
<td>18,638,826</td>
<td>5.50%</td>
</tr>
<tr>
<td>Library Resources</td>
<td>1,642,309</td>
<td>1,582,309</td>
<td>870,270</td>
<td>885,781</td>
<td>1.78%</td>
</tr>
<tr>
<td>State Required Reserve</td>
<td>2,020,594</td>
<td>1,829,561</td>
<td>1,892,561</td>
<td>1,892,561</td>
<td>-</td>
</tr>
<tr>
<td>Unallocated General Revenue</td>
<td>8,764,211</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Transfer to DSO</td>
<td>18,487,530</td>
<td>18,487,530</td>
<td>6,651,479</td>
<td>6,465,036</td>
<td>-2.80%</td>
</tr>
<tr>
<td><strong>Summary of Expenditures</strong></td>
<td><strong>273,711,214</strong></td>
<td><strong>273,211,214</strong></td>
<td><strong>132,562,127</strong></td>
<td><strong>127,857,792</strong></td>
<td><strong>-3.55%</strong></td>
</tr>
</tbody>
</table>
### General Revenue

#### Education and General (E&G) Revenue

<table>
<thead>
<tr>
<th></th>
<th>FY 19-20 Original Budgeted Revenues</th>
<th>FY 19-20 Amended Budgeted Revenue</th>
<th>Budgeted Revenue Through December</th>
<th>Projected Revenue Through December</th>
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<tbody>
<tr>
<td>General Revenue</td>
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</tr>
<tr>
<td>Lottery</td>
<td>9,539,051</td>
<td>9,539,051</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total E&amp;G Revenue</strong></td>
<td>164,688,592</td>
<td>164,188,592</td>
<td>77,506,572</td>
<td>77,741,624</td>
</tr>
</tbody>
</table>

#### E&G Expense

<table>
<thead>
<tr>
<th></th>
<th>FY 19-20 Original Budgeted Expenditures</th>
<th>FY 19-20 Amended Budgeted Expenditures</th>
<th>Budgeted Expenditures Through December</th>
<th>Projected Expenditures Through December</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and Benefits</td>
<td>118,066,285</td>
<td>121,842,584</td>
<td>60,039,378</td>
<td>56,786,708</td>
</tr>
<tr>
<td>Other Personal Services</td>
<td>7,726,465</td>
<td>7,883,226</td>
<td>3,795,628</td>
<td>4,235,244</td>
</tr>
<tr>
<td>General Expense</td>
<td>24,801,070</td>
<td>29,382,757</td>
<td>13,809,896</td>
<td>11,100,448</td>
</tr>
<tr>
<td>Capital Expenditures</td>
<td>441,170</td>
<td>441,170</td>
<td>220,585</td>
<td>369,160</td>
</tr>
<tr>
<td>Financial Aid/Scholarship</td>
<td>1,226,488</td>
<td>1,226,985</td>
<td>552,143</td>
<td>660,422</td>
</tr>
<tr>
<td>Library Resources</td>
<td>1,642,309</td>
<td>1,582,309</td>
<td>870,270</td>
<td>885,781</td>
</tr>
<tr>
<td>State Required Reserve</td>
<td>2,020,594</td>
<td>1,829,561</td>
<td>1,892,561</td>
<td>1,892,561</td>
</tr>
<tr>
<td>Unallocated</td>
<td>8,764,211</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total E&amp;G Expenditures</strong></td>
<td>164,688,592</td>
<td>164,188,592</td>
<td>81,180,461</td>
<td>75,930,325</td>
</tr>
</tbody>
</table>
## Student Related Activities

<table>
<thead>
<tr>
<th></th>
<th>FY 19-20 Original Budgeted Revenues</th>
<th>FY 19-20 Amended Budgeted Revenue</th>
<th>Budgeted Revenue Through December</th>
<th>Projected Revenue Through December</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Local Fund Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student Activity Revenue</td>
<td>4,518,390</td>
<td>4,518,390</td>
<td>2,168,827</td>
<td>2,118,199</td>
</tr>
<tr>
<td>Athletic Revenue</td>
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<td>4,008,320</td>
<td>4,118,965</td>
</tr>
<tr>
<td>Concessions</td>
<td>527,000</td>
<td>527,000</td>
<td>158,100</td>
<td>122,533</td>
</tr>
<tr>
<td>Financial Aid Revenue</td>
<td>33,465,000</td>
<td>33,465,000</td>
<td>15,477,563</td>
<td>16,755,668</td>
</tr>
<tr>
<td><strong>Total Local Fund Revenues</strong></td>
<td>51,036,389</td>
<td>51,036,389</td>
<td>21,812,809</td>
<td>23,115,366</td>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>FY 19-20 Original Budgeted Expenditures</th>
<th>FY 19-20 Amended Budgeted Expenditures</th>
<th>Budgeted Expenditures Through December</th>
<th>Projected Expenditures Through December</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Student Activities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and Benefits</td>
<td>1,607,121</td>
<td>1,607,121</td>
<td>773,799</td>
<td>767,606</td>
</tr>
<tr>
<td>Other Personal Services</td>
<td>839,975</td>
<td>839,975</td>
<td>404,432</td>
<td>340,802</td>
</tr>
<tr>
<td>General Expense</td>
<td>2,113,863</td>
<td>2,113,863</td>
<td>1,014,654</td>
<td>657,083</td>
</tr>
<tr>
<td>Capital Expenditures</td>
<td>22,000</td>
<td>22,000</td>
<td>9,900</td>
<td>2,461</td>
</tr>
<tr>
<td><strong>Total Student Activities Expenditures</strong></td>
<td>4,582,959</td>
<td>4,582,959</td>
<td>2,202,786</td>
<td>1,767,952</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>FY 19-20 Original Budgeted Expenditures</th>
<th>FY 19-20 Amended Budgeted Expenditures</th>
<th>Budgeted Expenditures Through December</th>
<th>Projected Expenditures Through December</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Intercollegiate Athletics</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and Benefits</td>
<td>6,171,350</td>
<td>6,171,350</td>
<td>2,971,391</td>
<td>2,947,571</td>
</tr>
<tr>
<td>Other Personal Services</td>
<td>985,950</td>
<td>985,950</td>
<td>474,717</td>
<td>370,375</td>
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<tr>
<td>General Expense</td>
<td>3,668,699</td>
<td>3,668,699</td>
<td>2,091,158</td>
<td>1,494,843</td>
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<tr>
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<td>100,000</td>
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<td>20,000</td>
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</tr>
<tr>
<td>Financial Aid/Scholarship</td>
<td>1,590,000</td>
<td>1,590,000</td>
<td>795,000</td>
<td>785,470</td>
</tr>
<tr>
<td><strong>Total Intercollegiate Athletics Expenditures</strong></td>
<td>12,515,999</td>
<td>12,515,999</td>
<td>6,352,266</td>
<td>5,630,510</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>FY 19-20 Original Budgeted Expenditures</th>
<th>FY 19-20 Amended Budgeted Expenditures</th>
<th>Budgeted Expenditures Through December</th>
<th>Projected Expenditures Through December</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Concessions</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Expense</td>
<td>236,000</td>
<td>236,000</td>
<td>132,160</td>
<td>143,374</td>
</tr>
<tr>
<td><strong>Total Concession Expenditures</strong></td>
<td>236,000</td>
<td>236,000</td>
<td>132,160</td>
<td>143,374</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>FY 19-20 Original Budgeted Expenditures</th>
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<th>Projected Expenditures Through December</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial Aid</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Personal Services</td>
<td>365,000</td>
<td>365,000</td>
<td>175,741</td>
<td>160,063</td>
</tr>
<tr>
<td>Financial Aid/Scholarship</td>
<td>33,100,000</td>
<td>33,100,000</td>
<td>16,219,000</td>
<td>17,139,176</td>
</tr>
<tr>
<td><strong>Total Financial Aid Expenditures</strong></td>
<td>33,465,000</td>
<td>33,465,000</td>
<td>16,394,741</td>
<td>17,299,238</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>FY 19-20 Original Budgeted Expenditures</th>
<th>FY 19-20 Amended Budgeted Expenditures</th>
<th>Budgeted Expenditures Through December</th>
<th>Projected Expenditures Through December</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Student Related Expenditures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and Benefits</td>
<td>7,778,471</td>
<td>7,778,471</td>
<td>3,745,190</td>
<td>3,715,178</td>
</tr>
<tr>
<td>Other Personal Services</td>
<td>2,190,925</td>
<td>2,190,925</td>
<td>1,054,890</td>
<td>871,240</td>
</tr>
<tr>
<td>General Expense</td>
<td>6,018,562</td>
<td>6,018,562</td>
<td>3,237,973</td>
<td>2,995,299</td>
</tr>
<tr>
<td>Capital Expenditures</td>
<td>122,000</td>
<td>122,000</td>
<td>29,900</td>
<td>34,711</td>
</tr>
<tr>
<td>Financial Aid/Scholarship</td>
<td>34,690,000</td>
<td>34,690,000</td>
<td>17,014,000</td>
<td>17,924,646</td>
</tr>
<tr>
<td><strong>Total Student Related Expenditures</strong></td>
<td>50,799,958</td>
<td>50,799,958</td>
<td>25,081,952</td>
<td>24,841,074</td>
</tr>
</tbody>
</table>
Grant and Auxiliary Activities

<table>
<thead>
<tr>
<th></th>
<th>FY 19-20 Original Budgeted Revenues</th>
<th>FY 19-20 Amended Budgeted Revenue</th>
<th>Budgeted Revenue Through December</th>
<th>Projected Revenue Through December</th>
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</thead>
<tbody>
<tr>
<td><strong>Grant and Auxiliary Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grant Associated Revenue</td>
<td>12,079,181</td>
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<td>51,335,975</td>
<td>25,667,988</td>
<td>25,812,144</td>
</tr>
<tr>
<td><strong>Total Grant and Auxiliary Revenues</strong></td>
<td>63,415,156</td>
<td>63,415,156</td>
<td>30,620,452</td>
<td>30,589,493</td>
</tr>
</tbody>
</table>

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<tr>
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<th>FY 19-20 Original Budgeted Expenditures</th>
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<td><strong>Grant Activities</strong></td>
<td></td>
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<th>FY 19-20 Original Budgeted Expenditures</th>
<th>FY 19-20 Amended Budgeted Expenditures</th>
<th>Budgeted Expenditures Through December</th>
<th>Projected Expenditures Through December</th>
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<td><strong>Grant &amp; Auxiliary Activities</strong></td>
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Florida Gulf Coast University Board of Trustees
January 14, 2020

SUBJECT: FGCU Regulation (# TBD) Procurement

PROPOSED BOARD ACTION

Approve FGCU Regulation (# TBD) Procurement

BACKGROUND INFORMATION

This Regulation is created to align with State University System Board of Governors Regulation 18.001.

Supporting Documentation Included: (1) Summary Memo, and (2) Notice and Text for FGCU Regulation (# TBD) Procurement

Prepared by: Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera

Legal Review: Vice President and General Counsel Vee Leonard (November 22, 2019)

Submitted by: Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera
TO: FGCU Board of Trustees
FROM: Steve Magiera
SUBJECT: FGCU Regulation TBD Procurement
DATE: January 14, 2020

Two items explain this new regulation:

1) As you have seen in your packet, we are asking your permission to repeal five separate Procurement Regulations. We are requesting those five to be repealed because we are incorporating them into this new regulation. Therefore, the different procurement rules will be located in one place.

2) Section C Preferences for Florida-Based Vendors is being detailed in this section. We have always followed Board of Governors Regulation 18.001 but we are now incorporating their exact language. This section more often pertains to our sister institutions that border Georgia and Alabama. We seldom receive bids from out of state vendors.
FLORIDA GULF COAST UNIVERSITY

NOTICE OF REGULATORY ACTION

REGULATION TITLE:
Procurement

REGULATION NO:
TBD

SUMMARY:
This regulation is created to align with BOG Regulation 18.001.

FULL TEXT:
The full text of the regulation being proposed is attached and can also be found at
https://www.fgcu.edu/generalcounsel/regulations/

AUTHORITY:
Section 287.057, Florida Statutes
BOG Regulation 1.001, University Board of Trustees Powers and Duties
BOG Regulation 18.001, Procurement Regulation

UNIVERSITY OFFICIAL INITIATING THE PROPOSED/REVISED REGULATION:
Steve Magiera, Vice President for Administrative Services and Finance

UNIVERSITY OFFICIAL APPROVING THE PROPOSED/REVISED REGULATION:
Steve Magiera, Vice President for Administrative Services and Finance

CONTACT INFORMATION REGARDING THE PROPOSED/REVISED REGULATION:
Todd Caraway
Office of the General Counsel
10501 FGCU Blvd. S., Fort Myers, FL 33965-6565
(P): 239.590.1101 | (F): 239.590.7470 | Email: gco@fgcu.edu

Any person may submit written comments concerning a proposed regulation, amendment,
or repeal to the contact person identified above within 14 days after the date this notice was
posted. The comment(s) must identify the regulation to which you are commenting.

THIS NOTICE WAS POSTED ON THE FGCU WEBSITE ON DECEMBER 4, 2019.
A. PROCUREMENT AUTHORITY OF THE UNIVERSITY

The President has delegated authority to the Director of Procurement Services to serve as the central procurement officer for the University and has the duty to:

1. Remove any contractor from the University’s competitive vendor list that fails to fulfill any of its duties specified in a contract with the University and to reinstate any such contractor when satisfied that further instances of default will not occur.

2. Plan and coordinate purchases in volume and negotiate and execute agreements and contracts for commodities and contractual services under which the University may make purchases.

3. Evaluate, approve, and utilize contracts that are entered into after a public and open competitive solicitation by any State of Florida agency or department, the Federal Government, other states, political subdivisions, cooperatives, or consortia, or any independent college or university for the procurement of commodities and contractual services, when it is determined to be cost-effective and in the best interest of the University, to make purchases under contracts let by such other entities. Review existing consortia and cooperative contracts to identify potential savings and, if there is the potential for savings, enter into new consortia and cooperative contracts to achieve the savings, with the goal of achieving a five-percent (5%) savings on existing contract prices.

4. Award contracts for commodities and contractual services to multiple suppliers, if it is determined to be in the best interest of the University. Such awards may be made on a university, regional, or State University System-wide basis and the contracts may be for multiple years.

5. Reject or cancel any or all competitive solicitations when determined to be in the best interests of the University.

6. Bar any vendor from doing business with the University for demonstrated cause, including previous unsatisfactory performance.

7. Prohibit University employees and University direct support organization employees (if applicable) participating on a procurement selection committee for commodities or services from soliciting donations from responding vendors during the selection process, except for donations or other benefits expressly stated in the procurement document.
8. Permit the extension(s) of a contract, entered into as a result of a competitive solicitation, for up to twelve (12) months or until completion of the competitive solicitation and award process or protest, whichever is longer.

9. Permit the renewal(s) of a contract, entered into as a result of a competitive solicitation, for a period that may not exceed five (5) years or twice the term of the original contract, whichever is longer. This provision is not intended to apply to existing contracts entered into prior to January 1, 2017, including any specified renewal period(s) may continue in accordance with the existing contract terms.

B. COMPETITIVE SOLICITATION THRESHOLD

1. All purchase orders or contracts for the procurement of commodities or contractual services exceeding $75,000 shall be awarded pursuant to a competitive solicitation, unless otherwise permitted.

2. When only one (1) response to a competitive solicitation for commodities or contractual services exceeding seventy-five thousand dollars ($75,000) annually is received, the University may review the solicitation response to determine if a second call for a competitive solicitation is in the best interest of the University. If it is determined that a second call would not serve a useful purpose, then the University may proceed with the acquisition. The University retains the right to reject or cancel any or all competitive solicitations where it is deemed to be in the best interest of the University.

3. The purchase of commodities and contractual services shall not be divided to avoid the requirement of competitive solicitation.

C. PREFERENCES FOR FLORIDA-BASED VENDORS

1. Preferences for Personal Property

When the University awards a contract to purchase personal property, other than printing, by competitive solicitation pursuant to section B. of this Regulation, a preference shall be provided to vendors with a principal place of business in Florida (such vendors hereinafter referred to as “Resident Vendors”) as follows:

a. If the responsible and responsive vendor that submits the lowest bid, the most advantageous proposal, or the best value reply is one whose principal place of business is outside of Florida and is in a state or political subdivision thereof that grants a preference for the same purchase to a vendor in such state or political subdivision, as applicable, then the University shall grant the same preference to the responsible and responsive Resident Vendor with the lowest bid received pursuant to an invitation to bid, the most advantageous proposal received pursuant to a request for proposal, or the best value reply received pursuant to an invitation to negotiate.
b. With respect to invitations to bid, if the lowest responsible and responsive bid is from a vendor whose principal place of business is in a state that does not grant a preference for the purchase to a vendor in such state, then the University shall grant a preference in the amount of five percent (5%) to the lowest responsible and responsive Resident Vendor.

c. For vendors whose principal place of business is outside of Florida, such vendors must, at the time of submitting its bid, proposal, or reply, provide a written opinion from a licensed attorney in its state specifying:

1) The preferences(s) granted by the state or political subdivision, as applicable under the laws of that state to vendors whose principal place of business is in that state or political subdivision; and

2) How the preference is calculated.

The failure to submit the written opinion may be waived as non-material if all vendors responding to the solicitation have principal places of business outside of Florida.

d. The vendor’s principal place of business, as represented by the vendor in its bid or reply, may be relied upon by the University without further inquiry. If the University determines that a vendor has misrepresented its principal place of business, the vendor’s bid, proposal or reply shall be rejected.

e. For the purpose of section C.1., personal property shall be defined as goods and commodities, but not real estate, intellectual property, or services.

2. Preferences for Printing.

When a University procures printed materials by competitive solicitation pursuant to section B. of this Regulation, a preference shall be provided to Resident Vendors as follows:

a. If the lowest responsible and responsive bid received pursuant to an invitation to bid is from a vendor whose principal place of business is outside of Florida, then the University shall grant a preference to the lowest responsible and responsive Resident Vendor in the amount of five percent (5%) if the University has determined that the printing can be performed by the Resident Vendors at a level of quality comparable to that obtainable from the vendor submitting the lowest bid whose principal place of business is outside of Florida.

b. For purposes of section C.2.a., the level of quality shall be determined by whether a vendor satisfies the minimum specification requirements as set forth in the invitation.
to bid.

3. Method of Calculating Five Percent (5%) Preference

If the competitive solicitation is an invitation to bid, then an amount equal to five percent (5%) of the total base bid and any alternates shall be deducted from the base bid and alternates, as applicable, of the lowest responsible and responsive Resident Vendor’s bid.

4. Determining a Vendor’s Principal Place of Business

A vendor’s principal place of business is determined as follows:

a. If the vendor is an individual or a sole proprietorship, then its principal place of business is in the state where the vendor’s primary resident is located.

b. If the vendor is a business organization, then its principal place of business is in the state where the majority of the vendor’s executive officers direct the management of the vendor’s business affairs.

5. Federally Funded Projects

Purchases made to perform specific obligations under federally funded projects shall not be subject to this preference requirement to the extent the application of a preference is not allowed under applicable federal law or regulation.

D. EXCEPTIONAL PURCHASES

1. Purchase of Products with Recycled Content

The University may establish a program to encourage the purchase and use of products and materials with recycled content and postconsumer recovered material.

2. Purchase of Private Attorney Services

Written approval from the Attorney General is not required for private attorney services acquired by the University.

3. Purchase of Insurance

The University shall have the authority to purchase insurance as deemed necessary and appropriate for the operation and educational mission of the University. All insurance purchased for property damage shall have a minimum of one thousand dollars ($1,000) deductible. Examples of insurance coverage that may be acquired by the University include:
a. Physical damage on vehicles and boats;
b. Inland marine on property owned, leased, or loaned to or by the University;
c. Building and property damage;
d. Equipment losses due to theft;
e. Equipment subject to transportation;
f. Loss of rental income;
g. Commercial general liability insurance for scientific equipment;
h. Excess general liability coverage;
i. Camps insurance.

4. Purchase of Printing

If the University determines that it is in its best interests to purchase printed materials through a competitive solicitation process, the preference provision in section C.2 above shall apply.

E. PURCHASES FROM CONTRACTORS CONVICTED OF PUBLIC ENTITY CRIMES

The University shall not accept a competitive solicitation from, or purchase commodities or contractual services from, a person or affiliate who has been convicted of a public entity crime and has been placed on the State of Florida’s convicted vendor list for a period of thirty-six (36) months from the date of being added to the convicted vendor list.

F. COMPETITIVE SOLICITATION EXCEPTIONS

The following types of purchasing actions and commodities and contractual services purchases are not subject to the competitive solicitation process:

1. Emergency Purchases

When the President, or designee, determine, in writing, that the delay due to the competitive solicitation process is an immediate danger to the public health or safety or the welfare of the University, including University tangible and intangible assets; or would otherwise cause significant injury or harm not in the best interest of the University, the University may proceed with the procurement of commodities or contractual services without a competitive solicitation.
2. **Sole Source Purchases**

   Commodities or contractual services available from a single source may be exempted from the competitive solicitation process.

3. **Purchases from competitively solicited contracts and negotiated annual price agreements** established by the State of Florida, other governmental entities, other Universities in the State University System, or other independent colleges and universities are not subject to further competitive solicitation.

4. **The following listed commodities and services are not subject to competitive solicitation:**

   a. **Artistic Services**;
   
   b. **Academic program reviews**;
   
   c. **Lectures**;
   
   d. **Auditing and accounting services**;
   
   e. **Legal services**, including attorney, paralegal, expert witness, appraisal, arbitrator, or mediator services;
   
   f. **Health services** involving examination diagnosis, treatment, prevention, medical consultation, or administration. Prescriptive assistive devices for medical, developmental or vocational rehabilitation including, but not limited to, prosthetics, orthotics, wheelchairs, and other related equipment and supplies, provided they are purchased on the basis of an established fee schedule or by a method that ensures the best price, taking into consideration the needs of the client;
   
   g. **Services provided to persons with mental or physical disabilities** by not-for-profit corporations organized under the provisions of section 501(c)(3) of the Internal Revenue Code or services governed by the provisions of the Office of Management and Budget Circular A-122;
   
   h. **Medicaid services** delivered to an eligible Medicaid recipient by a health care provider who has not previously applied for and received a Medicaid provider number from the Department of Children and Family Services. This exception will be valid for a period not to exceed ninety (90) days after the date of delivery to the Medicaid recipient and shall not be renewed;
   
   i. **Family placement services**;
   
   j. **Training and education services**;
k. Advertising, except for media placement services;

l. Services or commodities provided by other governmental agencies, another university in the State University System, direct support organizations of the University, political subdivision, or other independent colleges and universities;

m. Programs, conferences workshops, continuing education events, or other University programs that are offered to the general public for which fees are collected to pay all expenses associated with the event or program;

n. Purchases from firms or individuals that are prescribed by state or federal law, or specified by a granting agency;

o. Regulated utilities and government franchised services;

p. Regulated public communications, except long distance telecommunication services or facilities;

q. Extension of an existing contract;

r. Renewal of an existing contract if the terms of the contract specify renewal option(s);

s. Purchases from an annual certification list developed by the University if available;

t. Purchases for resale;

u. Accounting services;

v. Contracts or services provided by not-for profit support and affiliate organizations of the University, direct support organizations, health support organizations, and faculty practice plans;

w. Implementation/programming/training services available from owner of copyrighted software or its contracted vendor;

x. Purchases of materials, supplies, equipment, or services for instructional or sponsored research purposes when a director of sponsored research, or designee, certifies that, in a particular instance, it is necessary for the efficient or expeditious prosecution of a research project in accordance with sponsored research procedures or to attain the instructional objective.

**G. VENDORS EXCLUDED FROM COMPETITION**

In order to ensure objective contractor performance and eliminate unfair competitive
advantage, contractors that develop or draft specifications, requirements, statements of work, invitations to bid, request for proposals and invitations to negotiate shall be excluded from competing for such procurements.

H. STANDARD OF CONDUCT

1. It shall be a breach of ethical standards for any employee of the University to accept, solicit, or agree to accept a gift or gratuity of any kind, form, or type in connection with any contract for commodities or services.

2. It shall be a breach of ethical standards for any potential contractor to offer a University employee a gift or gratuity of any kind, form, or type to influence the development of a contract or potential contract for commodities or services.

3. The individuals taking part in the development or selection of criteria for evaluation, the evaluation process, and the contract award in any procurement shall be independent of, and have no conflict of interest in, the entities evaluated and selected.

Authority

Section 287.057, Florida Statutes
BOG Regulation 1.001, University Board of Trustees Powers and Duties
BOG Regulation 18.001, Procurement Regulation

History of Regulation

New

Approved by Florida Gulf Coast University Board of Trustees
SUBJECT: Regulation Repeal: FGCU-PR6.014 Purchasing Authority of the University

PROPOSED BOARD ACTION

Approve repeal of Regulation FGCU-PR6.014 Purchasing Authority of the University

BACKGROUND INFORMATION

This Regulation is being repealed and its contents have been incorporated into a new FGCU Regulation (# TBD) Procurement.

Supporting Documentation Included: Notice and Text for Regulation FGCU-PR6.014 Purchasing Authority of the University

Prepared by: Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera

Legal Review: Vice President and General Counsel Vee Leonard (November 19, 2019)

Submitted by: Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera
FLORIDA GULF COAST UNIVERSITY

NOTICE OF REGULATORY ACTION

REGULATION TITLE:
Purchasing Authority of the University

REGULATION NO:
6.014

SUMMARY:
This Regulation is being repealed and its contents have been incorporated into a new Procurement Regulation.

FULL TEXT:
The full text of the regulation being proposed is attached and can also be found at https://www.fgcu.edu/generalcounsel/regulations/

AUTHORITY:
BOG Regulation 18.001, Procurement Regulation

UNIVERSITY OFFICIAL INITIATING THE PROPOSED/REVISED REGULATION:
Steve Magiera, Vice President for Administrative Services and Finance

UNIVERSITY OFFICIAL APPROVING THE PROPOSED/REVISED REGULATION:
Steve Magiera, Vice President for Administrative Services and Finance

CONTACT INFORMATION REGARDING THE PROPOSED/REVISED REGULATION:
Todd Caraway
Office of the General Counsel
10501 FGCU Blvd. S., Fort Myers, FL 33965-6565
(P): 239.590.1101 | (F): 239.590.7470 | Email: gco@fgcu.edu

Any person may submit written comments concerning a proposed regulation, amendment, or repeal to the contact person identified above within 14 days after the date this notice was posted. The comment(s) must identify the regulation to which you are commenting.

THIS NOTICE WAS POSTED ON THE FGCU WEBSITE ON DECEMBER 4, 2019.

GC432486
REGULATION: FGCU-PR6.014

Purchasing Authority of the University

The President or designee is delegated authority to serve as the central procurement officer for the University and has the duty to:

(1) Canvass sources of supply and contracting for the purchase or lease of all commodities and contractual services for the University, in any manner, including purchase by installment- or lease-purchase contracts. Installment- or lease-purchase contracts may provide for the payment of interest on unpaid portions of the purchase price.

(2) Remove any contractor from the University's competitive vendor list that fails to fulfill any of its duties specified in a contract with the University or governmental entity.

(3) Plan and coordinate purchases in volume and negotiating and executing agreements and contracts for commodities and contractual services under which the University may make purchases.

(4) Evaluate and approve contracts let by governmental entities for the procurement of commodities and contractual services, when it is determined to be cost-effective and in the best interests of the University to make purchases under contracts let by such other entities.

(5) Elect as an alternative to any provision in Section 120.57(3)(c), Florida Statutes, to proceed with a competitive solicitation or contract award process when it is set forth, in writing, that the particular facts and circumstances which demonstrate that the delay due to staying the solicitation or contract award process would be detrimental to the interests of the University. After the award of contract resulting from a competitive solicitation in which a timely protest was received and in which the University did not prevail, the contract will be cancelled and re-awarded to the prevailing party unless the final order or settlement between the parties provides otherwise.
(6) Award contracts for commodities and contractual services to one or multiple suppliers, if it is determined to be in the best interest of the University. Such awards may be made on behalf of the University or a consortia of the University and other governmental entities, and the contracts may be for multiple years.

(7) Reject or cancel any or all competitive solicitations when determined to be in the best interests of the University.

(8) Reserve the right to waive any minor irregularities in an otherwise valid bid, proposal or reply. Variations that are not minor cannot be waived.

Specific Authority:
§1001.74(4), 1010.04 FS.

Law Implemented:
§120.57(3), 1001.74(5), (17), (29), 1001.75(5), 1010.04 FS.

History:
New 9-30-99, Amended 7-10-03,

History of Regulation:
New 01-15-08

Effective Date of Regulation:
January 15, 2008

REPEALED:
ITEM: 16

Florida Gulf Coast University Board of Trustees
January 14, 2020

SUBJECT: Regulation Repeal: FGCU-PR6.015 Competitive Solicitations Requirement

PROPOSED BOARD ACTION

Approve repeal of Regulation FGCU-PR6.015 Competitive Solicitations Requirement

BACKGROUND INFORMATION

This Regulation is being repealed and its contents have been incorporated into a new FGCU Regulation (# TBD) Procurement.

Supporting Documentation Included: Notice and Text Regulation for FGCU-PR6.015 Competitive Solicitations Requirement

Prepared by: Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera

Legal Review: Vice President and General Counsel Vee Leonard (November 19, 2019)

Submitted by: Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera
FLORIDA GULF COAST UNIVERSITY

NOTICE OF REGULATORY ACTION

REGULATION TITLE:
Competitive Solicitations Requirement

REGULATION NO:
6.015

SUMMARY:
This Regulation is being repealed and its contents have been incorporated into a new Procurement Regulation.

FULL TEXT:
The full text of the regulation being proposed is attached and can also be found at https://www.fgcu.edu/generalcounsel/regulations/

AUTHORITY:
BOG Regulation 18.001, Procurement Regulation

UNIVERSITY OFFICIAL INITIATING THE PROPOSED/REVISED REGULATION:
Steve Magiera, Vice President for Administrative Services and Finance

UNIVERSITY OFFICIAL APPROVING THE PROPOSED/REVISED REGULATION:
Steve Magiera, Vice President for Administrative Services and Finance

CONTACT INFORMATION REGARDING THE PROPOSED/REVISED REGULATION:
Todd Caraway
Office of the General Counsel
10501 FGCU Blvd. S., Fort Myers, FL 33965-6565
(P): 239.590.1101 | (F): 239.590.7470 | Email: gco@fgcu.edu

Any person may submit written comments concerning a proposed regulation, amendment, or repeal to the contact person identified above within 14 days after the date this notice was posted. The comment(s) must identify the regulation to which you are commenting.

THIS NOTICE WAS POSTED ON THE FGCU WEBSITE ON DECEMBER 4, 2019.
REGULATION: FGCU-PR6.015

Effective Date of Regulation: 10/21/08

Competitive Solicitations Requirement

(1) The University will provide notice of any information relating to a competitive solicitation by advertising for bids or by distribution of solicitation documents.

(2) All purchase orders or contracts for the purchase of commodities or contractual services exceeding $75,000 shall be awarded pursuant to a competitive solicitation, unless otherwise permitted. The purchase of commodities and contractual services shall not be divided to avoid the requirement of competitive solicitation.

(3) Competitive solicitations for purchases that are expected to be in excess of $75,000 annually shall be advertised by the University in the Florida Administrative Weekly, a newspaper of general circulation, or electronically posted on the www.myflorida.com website (Florida Communities Network). All competitive solicitations will be electronically posted on the University’s www.fgcu.edu/ website (Procurement Services Department). The President or designee shall waive the advertisement requirement when the number of potential responders is limited and can otherwise be solicited, when the availability of funding so requires, or when delivery is urgent.

(4) When only one response is received to a competitive solicitation for commodities or contractual services exceeding $75,000 annually, the University will review the solicitation response and circumstances surrounding the solicitation to determine if a second call for a competitive solicitation will yield the same results. If it is determined that a second call is not in the University’s best interests or would yield the same results, then the University may proceed with the acquisition. The University retains the right to reject or cancel any or all competitive solicitations where it is deemed to be in the best interest of the University.

(5) When multiple responses that are equal in all respects are received to an invitation to bid, the University will give preference, in the following order of priority, to bids that include commodities manufactured in the State of Florida, Florida businesses, businesses with a drug-free workplace program, or foreign manufacturers located in the state, to determine the contract award. If use of these preferences does not determine a contract award, the toss of the coin shall be used to award the contract.
(6) In the case of extension errors in a response to a competitive solicitation, the unit price will prevail.

(7) A Contractor may withdraw a competitive solicitation response, in writing, at any time prior to the response opening, excluding Saturdays, Sundays and University holidays, or at any time thereafter with the written consent of the Vice President for Administrative Services and Finance or designee when the University’s interests will not be adversely affected by the withdrawal.

(8) Notices of Intent to Award competitive solicitations shall be publicly posted on the Procurement Services Department website for a minimum of seventy-two (72) hours excluding Saturdays, Sundays and University holidays.

Law Implemented:
§1001.74, 1010.04 F.S., 287.42, 287.0582, 287.084, 287.087, 287.092

History:
New 9/30/99; Amended 7/10/03; 10/21/08
Effective Date of Regulation:
10/21/08

REPEALED
SUBJECT: Regulation Repeal: FGCU-PR6.016 Purchase of Commodities or Contractual Services

PROPOSED BOARD ACTION

Approve repeal of Regulation FGCU-PR6.016 Purchase of Commodities or Contractual Services

BACKGROUND INFORMATION

This Regulation is being repealed and its contents have been incorporated into a new FGCU Regulation (# TBD) Procurement.

Supporting Documentation Included: Notice and Text for Regulation FGCU-PR6.016 Purchase of Commodities or Contractual Services

Prepared by: Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera

Legal Review: Vice President and General Counsel Vee Leonard (November 19, 2019)

Submitted by: Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera
FLORIDA GULF COAST UNIVERSITY
NOTICE OF REGULATORY ACTION

REGULATION TITLE:
Purchase of Commodities/Contractual Services

REGULATION NO:
6.016

SUMMARY:
This Regulation is being repealed and its contents have been incorporated into a new Procurement Regulation.

FULL TEXT:
The full text of the regulation being proposed is attached and can also be found at https://www.fgcu.edu/generalcounsel/regulations/

AUTHORITY:
BOG Regulation 18.001, Procurement Regulation

UNIVERSITY OFFICIAL INITIATING THE PROPOSED/REVISED REGULATION:
Steve Magiera, Vice President for Administrative Services and Finance

UNIVERSITY OFFICIAL APPROVING THE PROPOSED/REVISED REGULATION:
Steve Magiera, Vice President for Administrative Services and Finance

CONTACT INFORMATION REGARDING THE PROPOSED/REVISED REGULATION:
Todd Caraway
Office of the General Counsel
10501 FGCU Blvd. S., Fort Myers, FL 33965-6565
(P): 239.590.1101 | (F): 239.590.7470 | Email: gco@fgcu.edu

Any person may submit written comments concerning a proposed regulation, amendment, or repeal to the contact person identified above within 14 days after the date this notice was posted. The comment(s) must identify the regulation to which you are commenting.

THIS NOTICE WAS POSTED ON THE FGCU WEBSITE ON DECEMBER 4, 2019.
(1) Purchase of Private Attorney Services. Written approval from the Attorney General is not required for private attorney services acquired by the University.

(2) Purchase of Insurance. The University has the authority to purchase insurance as deemed necessary and appropriate for the operation and educational mission of the University. Examples of insurance coverage that may be acquired by the University include:
   a. Physical damage on vehicles and boats;
   b. Inland marine on property owned, leased, or loaned to or by the University;
   c. Building and property damage;
   d. Equipment losses due to theft;
   e. Equipment subject to transportation;
   f. Loss of rental income;
   g. Commercial general liability insurance for scientific equipment;
   h. Excess general liability coverage;
   i. Camps insurance.

   All insurance purchased for property damage shall have a minimum of a $1,000 deductible.

(3) Purchases from Minority Business Enterprises. The University is an equal opportunity institution and promotes procurement participation and contract award with Minority Business Enterprises (“MBEs”). MBEs should have a fair and equal opportunity to compete for dollars spent by the University to procure commodities and contractual services. Competition ensures that prices are competitive and that a broad vendor base is available. The University will use good faith efforts to ensure that MBE vendors are aware of procurement and contract opportunities.

(4) Purchases from Contractors Convicted of Public Entity Crimes. The University shall not accept a competitive solicitation from or purchase commodities or contractual services from a person or affiliate who has been convicted of a public entity crime and has been placed on the State of Florida’s convicted vendor list for a period of 36 months from the date of being added to the convicted vendor list.
PURCHASE OF COMMODITIES OR CONTRACTUAL SERVICES

(5) Purchasing actions that are not subject to the competitive solicitation process include:
   a. Emergency Purchases. When the President or designee determines, in writing, that the delay due to the competitive solicitation process threatens the health or safety of person(s) or animal(s), the protection or continuance of a vital University function or the preservation or protection of property, the University will proceed with the procurement of commodities or contractual services without a competitive solicitation. The emergency purchase shall be limited to the purchase of the type of items and quantities or for a time period sufficient to meet the threat and shall not be used to meet long-term requirements.
   b. Sole Source Purchases. Commodities or contractual services may be exempted from a competitive solicitation process when it is determined that there is only one source for the required service or commodity.
   c. Purchases from competitively solicited contracts and negotiated annual price agreements established by other governmental entities, other Universities in the State University System, or other independent colleges and universities are not subject to further competitive solicitation.
   d. Commodities to be incorporated into any public works project which are procured by the University as a direct owner purchase are not subject to any further competitive solicitation.

(6) Commodities and contractual services that are not subject to the competitive solicitation process include:
   a. Artistic services;
   b. Academic program reviews;
   c. Lectures;
   d. Auditing and accounting services;
   e. Legal services including attorney, paralegal, expert witness, appraisal, arbitrator or mediator services;
   f. Health services involving examination, diagnosis, treatment, prevention, medical consultation or administration.
   g. Training and education services;
   h. Advertising;
   i. Contractual services or commodities provided by other governmental entities;
   j. Conferences, workshops, programs or events that are offered to the general public for which fees have been collected to pay all associated expenses;
   k. Conferences, workshops, programs or events that are required by a grant to be purchased, attended, held or organized;
   l. Purchases from firms or individuals that are prescribed by state or federal law or required by a granting agency;
   m. Regulated utilities and government franchised services;
PURCHASE OF COMMODITIES OR CONTRACTUAL SERVICES

n. Regulated public communications, except long distance telecommunication services or facilities;
o. Extension of an existing contract;
p. Renewal of an existing contract if the terms of the contract specify renewal option(s);
q. Purchases for resale;
r. Contractual services or commodities provided by a direct support organization;
s. Training, programming and other services available from the owner or licensor of copyrighted software or its designated provider of such services;
t. Purchases of materials, supplies, equipment or services for research purposes when the Director of Sponsored Research or designee certifies in writing that, in a particular instance, it is necessary for the efficient or expeditious prosecution of a research project;
u. Leases of space by the University for 5,000 square feet or less in a privately-owned building.

(7) Participants in Contract Awards Not Subject to Competitive Solicitations.
a. No person or firm who receives a contract to perform a feasibility study for potential implementation of a subsequent contract, participates in the drafting of a competitive solicitation, or develops a program for future implementation shall be eligible to contract with the respective University dealing with the specific subject matter.
b. The individuals taking part in the development or selection of criteria for evaluation, the evaluation process and the contract award in any purchase shall be independent of, and have no conflict of interest in, the entities evaluated and selected.

Specific Authority:
§§1001.74(2), 1010.04 FS.
Law Implemented:
§§1001.74(2), 1010.04 FS.
History of Rule:
New 9-30-99, Amended 7-10-03
History of Regulation
Renumbered 1/15/08, Amended 4/21/09
Effective Date of Regulation:
4/21/09

REPEALED
SUBJECT: Regulation Repeal: FGCU-PR6.018 Contracts

PROPOSED BOARD ACTION

Approve repeal of Regulation FGCU-PR.6.018 Contracts

BACKGROUND INFORMATION

This Regulation is being repealed and its contents have been incorporated into a new FGCU Regulation (# TBD) Procurement.

Supporting Documentation Included: Notice and Text Regulation for FGCU-PR6.018 Contracts

Prepared by: Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera

Legal Review: Vice President and General Counsel Vee Leonard (November 19, 2019)

Submitted by: Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera
FLORIDA GULF COAST UNIVERSITY

NOTICE OF REGULATORY ACTION

REGULATION TITLE:
Contracts

REGULATION NO:
6.018

SUMMARY:
This Regulation is being repealed and its contents have been incorporated into a new
Procurement Regulation.

FULL TEXT:
The full text of the regulation being proposed is attached and can also be found at
https://www.fgcu.edu/generalcounsel/regulations/

AUTHORITY:
BOG Regulation 18.001, Procurement Regulation

UNIVERSITY OFFICIAL INITIATING THE PROPOSED/REVISED REGULATION:
Steve Magiera, Vice President for Administrative Services and Finance

UNIVERSITY OFFICIAL APPROVING THE PROPOSED/REVISED REGULATION:
Steve Magiera, Vice President for Administrative Services and Finance

CONTACT INFORMATION REGARDING THE PROPOSED/REVISED REGULATION:
Todd Caraway
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10501 FGCU Blvd. S., Fort Myers, FL 33965-6565
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Any person may submit written comments concerning a proposed regulation, amendment,
or repeal to the contact person identified above within 14 days after the date this notice was
posted. The comment(s) must identify the regulation to which you are commenting.

THIS NOTICE WAS POSTED ON THE FGCU WEBSITE ON DECEMBER 4, 2019.
(1) Contracts for commodities or contractual services shall consist of a purchase order or bilateral agreement signed by the President or designee and the contractor prior to goods or services being rendered. For purchases that the President or designee determines are emergency purchases in accordance with paragraph FGCU-PR6.016(5)(a), a contract shall consist of a purchase order or signed bilateral agreement prior to or within thirty (30) days of the goods or services being rendered by the contractor.

(2) Any contract for the purchase of services or tangible personal property for a period in excess of one fiscal year shall include the following statement: “The State of Florida and University's performance and obligation to pay under this contract is contingent upon an annual appropriation by the Legislature”.

(3) Extension of an existing contract for contractual services shall be for a period not to exceed six (6) months, shall be in writing, shall be signed by both parties and shall be subject to the same terms and conditions set forth in the initial contract and any amendments thereto. There shall be only one extension of a contract unless the failure to meet the criteria set forth in the contract for completion of the contract is due to events beyond the control of the contractor.

(4) A contract may contain provisions for renewal for a period no longer than the initial term of the contract. If the commodity or contractual service is purchased as a result of a competitive solicitation, the cost of any contemplated renewal must be included in the competitive solicitation. All contract renewals are contingent upon satisfactory performance as determined by the University and subject to sufficient annual appropriations and shall be executed in writing by both parties.

(5) The President or designee is authorized to enter into deferred payment agreements through the State of Florida’s Consolidated Equipment Financing Program. No agreement shall establish a debt of the state or shall be a pledge of the faith and credit of the state; nor shall any agreement be a liability or obligation to the state except from appropriated funds.
(6) In order to promote cost-effective procurement of commodities and contractual services, the University may enter into contracts that limit the liability of a vendor in accordance with Section 672.719, Florida Statutes.

Specific Authority: SS1001.74(2), 1010.04 F.S.  
Law Implemented: SS 1001.74, 1010.04 F.S.  
History of Rule: New 9-30-99, Amended 7-10-03  
History of Regulation: Renumbered 1/15/08, Amended 4/21/09  
Effective Date of Regulation: 4/21/09  
REPEALED
ITEM: __19__

Florida Gulf Coast University Board of Trustees
January 14, 2020

SUBJECT: Regulation Repeal: FGCU-PR6.019 Standard of Conduct (Procurement)

PROPOSED BOARD ACTION

Approve repeal of Regulation FGCU-PR6.019 Standard of Conduct (Procurement)

BACKGROUND INFORMATION

This Regulation is being repealed and its contents have been incorporated into a new FGCU Regulation (# TBD) Procurement.

Supporting Documentation Included: Notice and Text Regulation for FGCU-PR6.019 Standard of Conduct (Procurement)

Prepared by: Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera

Legal Review: Vice President and General Counsel Vee Leonard (November 19, 2019)

Submitted by: Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera
FLORIDA GULF COAST UNIVERSITY

NOTICE OF REGULATORY ACTION

REGULATION TITLE:
Standard of Conduct (Procurement)

REGULATION NO:
6.019

SUMMARY:
This Regulation is being repealed and its contents have been incorporated into a new Procurement Regulation.

FULL TEXT:
The full text of the regulation being proposed is attached and can also be found at https://www.fgcu.edu/generalcounsel/regulations/

AUTHORITY:
BOG Regulation 18.001, Procurement Regulation

UNIVERSITY OFFICIAL INITIATING THE PROPOSED/REVISED REGULATION:
Steve Magiera, Vice President for Administrative Services and Finance

UNIVERSITY OFFICIAL APPROVING THE PROPOSED/REVISED REGULATION:
Steve Magiera, Vice President for Administrative Services and Finance

CONTACT INFORMATION REGARDING THE PROPOSED/REVISED REGULATION:
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Any person may submit written comments concerning a proposed regulation, amendment, or repeal to the contact person identified above within 14 days after the date this notice was posted. The comment(s) must identify the regulation to which you are commenting.

THIS NOTICE WAS POSTED ON THE FGCU WEBSITE ON DECEMBER 4, 2019.
(1) It shall be a breach of ethical standards for any employee of the University to accept, solicit, or agree to accept a gratuity of any kind, form or type in connection with any contract for commodities or services. All persons taking part in the development or selection of criteria for evaluation, the evaluation process, and the contract award process in any purchase shall follow all relevant portions of the State of Florida Code of Ethics for Public Officers and Employees, Chapter 112, Part III, Florida Statutes, and the University’s regulation on outside employment and activities, FGCU-PR5.012.

(2) Purchasing officers shall be protected from improper pressures of external political or business interests. It shall be a breach of ethical standards for any contractor or potential contractor to offer an employee of the University a gratuity of any kind, form or type to influence the development of a contract or potential contract for commodities or contractual services.

Specific Authority:
§1001.74(4), 1010.04 FS.
Law Implemented:
§112.313, 1001.74(5), 1001.75(5), 1010.04 FS.
History of Rule:
New 9-30-99, Amended 7-10-03
History of Regulation:
January 15, 2008
Effective Date of Regulation:
January 15, 2008
REPEALED
Florida Gulf Coast University Board of Trustees
January 14, 2020

SUBJECT:   FGCU Regulation 5.018 Sick Leave Pool

PROPOSED BOARD ACTION

Approve amendments to FGCU Regulation 5.018 Sick Leave Pool

BACKGROUND INFORMATION

This Regulation is amended to ensure it is consistent with the changes made to
FGCU Policy 3.034 Sick Leave, as well as to make minor housekeeping
revisions.

Supporting Documentation Included: Notice and Text for FGCU Regulation
5.018 Sick Leave Pool

Prepared by: Vice President for Administrative Services and Finance, and
Executive Director of FGCU Financing Corporation Steve Magiera

Legal Review:  Vice President and General Counsel Vee Leonard (November
18, 2019)

Submitted by: Vice President for Administrative Services and Finance, and
Executive Director of FGCU Financing Corporation Steve Magiera
FLORIDA GULF COAST UNIVERSITY
NOTICE OF REGULATORY ACTION

REGULATION TITLE:
Sick Leave Pool

REGULATION NO:
5.018

SUMMARY:
This regulation is amended to ensure it is consistent with the changes made to FGCU Policy 3.034, Sick Leave, as well as to make minor housekeeping revisions.

FULL TEXT:
The full text of the regulation being proposed is attached and can also be found at https://www.fgcu.edu/generalcounsel/regulations/

AUTHORITY:
Section 110.121, Florida Statutes

UNIVERSITY OFFICIAL INITIATING THE PROPOSED/REVISED REGULATION:
Steve Magiera, Vice President for Administrative Services and Finance

UNIVERSITY OFFICIAL APPROVING THE PROPOSED/REVISED REGULATION:
Steve Magiera, Vice President for Administrative Services and Finance

CONTACT INFORMATION REGARDING THE PROPOSED/REVISED REGULATION:
Todd Caraway
Office of the General Counsel
10501 FGCU Blvd. S., Fort Myers, FL 33965-6565
(P): 239.590.1101 | (F): 239.590.7470 | Email: gco@fgcu.edu

Any person may submit written comments concerning a proposed regulation, amendment, or repeal to the contact person identified above within 14 days after the date this notice was posted. The comment(s) must identify the regulation to which you are commenting.

THIS NOTICE WAS POSTED ON THE FGCU WEBSITE ON NOVEMBER 27, 2019.
A. GENERAL STATEMENT

This Regulation establishes a Sick Leave Pool (Pool) to allow Faculty, Administrative and Professional (A&P), and Support Personnel (SP) employees to voluntarily pool a portion of their unused sick leave and, upon depletion of their own sick, annual, and compensatory leave, to draw leave credits from the Pool as prescribed in subsections (B.) and (C.) below. Part-time Faculty, A&P, and SP employees may participate in the Pool on a pro rata basis.

B. MEMBERSHIP

1. An employee shall be eligible to participate in the Pool after completion of one (1) year of employment with Florida Gulf Coast University (University), provided that a minimum of sixty-four (64) hours of sick leave has been accumulated by such employee.

2. Applications for membership shall be in writing addressed to the Pool Administrator (Administrator).

3. Following the initial open enrollment period, additional applications shall be accepted only during open enrollment periods conducted at such other times as may be prescribed by the Pool Committee (Committee).

4. Each full-time participating employee shall contribute eight (8) hours of sick leave in the first (1st) month of eligibility, and thereafter, each full-time participant shall contribute eight (8) hours of sick leave each time the Pool is declared to be depleted. A part-time employee shall contribute sick leave on a pro-rata basis. All sick leave contributed shall be removed from the employee’s sick leave account and be placed into the Pool account.

5. When a participating employee repeatedly fails to have a sufficient balance in his /her individual sick leave account when requested to contribute the appropriate hours to the Pool, the reasons for the use of sick leave credits by the employee shall be investigated for a determination as to whether the employee’s membership in the Pool should be canceled. The decision for such cancellation shall be by majority vote of the Committee.

6. A participating employee shall be allowed to donate to the Pool up to 16 hours of unused or unpaid sick leave from the employee’s individual sick leave balance at the time of retirement or termination from the University.

7. Employees who complete their first (1st) year of service other than during an open enrollment period will have thirty (30) calendar days to apply for membership in the Pool.
8.7. No employee shall be unreasonably denied enrollment in the Pool.

C. ADMINISTRATION

1. The President shall appoint two (2) faculty, two (2) A&P, and two (2) SP employees who have elected to participate in the Pool to serve as the Committee. Each will be appointed to serve alternating two (2) year terms.

2. The Director of Human Resources, Chief Human Resources Officer, or designee, shall serve as the Pool Administrator.

3. Approval to use leave hours from the Pool by an eligible employee shall require approval by at least three (3) Committee members. The Administrator will have the authority to implement the Committee's approval.

4. The Pool shall be administered in accordance with the following general guidelines:

   a. Participation in the Pool does not guarantee hours may be withdrawn from the Pool.

   b. Participating employees who require hospitalization or extended medical care as the result of any injury or illness or as a result of serious or major medical or health problems, may request permission to utilize leave credits from the Pool.

   c. Sick leave hours from the Pool may be granted only for the employee's personal illness, injury, accident, or exposure to a contagious disease which would endanger others. Personal illness includes pregnancy, miscarriage, abortion, childbirth, and the recovery therefrom.

   d. All requests for Pool credit utilization shall be made in writing to the Administrator by, or for, the employee and shall be accompanied by medical verification of the injury or illness.

   e. In the event the Committee finds a participant has abused the Pool process by inappropriate use or misrepresentation, the participant will be required to deposit sick leave hours equal to the number of credit hours utilized, and shall be discontinued from membership in the Pool.

   f. The maximum number of Pool credits which may be granted to an employee on any one request is one hundred sixty (160) hours or twenty (20) work days. Subsequent requests may be submitted as provided in Section C.4.d. above.

   g. The maximum number of Pool credits which may be granted to an employee shall be sixty (60) work days, four hundred eighty (480) hours. Upon use of the maximum number of Pool credits an employee shall be discontinued from membership in the Pool. Such employee may reapply for membership in the Pool as described in Section B.
above.

h. Pool payments shall be coordinated with any and all disability insurance benefits the employee may accrue. No more than the current bi-weekly salary may be received by the employee after all payments from all applicable disability insurance benefits are applied.

D. MAINTENANCE OF SICK LEAVE POOL

The Pool shall be maintained in accordance with the following standards:

a. The Pool shall not be activated unless a minimum of twenty-five (25) employees agree initially to participate in the Pool and each deposit eight (8) hours of their accrued sick leave therein.

b. When the total credits available in the Pool amount to eighty (80) hours or less, the Pool shall be considered to be depleted. Upon depletion, the Pool members will be notified that eight (8) hours of sick leave credit will be deducted from their accumulated sick leave balances unless they inform the Administrator, in writing within two (2) weeks of the date of the notice, of their intention to discontinue membership.

c. If two-thirds (2/3) of the membership vote in favor of terminating the Pool, all further actions of the Pool shall cease. The balance of sick leave hours remaining in the Pool shall be divided equally among the members on record at the time of termination and transferred to the employees’ individual sick leave accounts maintained by the Payroll office.

Action by Florida Gulf Coast University Board of Trustees
Approved 01/12/2016

Specific Authority
Section 110.121, F.S. Florida Statutes

History of Regulation
New 01/15/08; Amended 01/12/16, Amended

Approved by Florida Gulf Coast University Board of Trustees

Effective Date of Regulation
01/12/2016
SUBJECT: FGCU Regulation 5.010 Nepotism

PROPOSED BOARD ACTION

Approve amendments to FGCU Regulation 5.010 Nepotism

BACKGROUND INFORMATION

The University has for decades maintained an anti-nepotism Regulation. This Regulation is being amended for several reasons. First, the amendments create organizational clarity by beginning with a general policy statement, and followed by definitions, a description of prohibited forms of nepotism, discussion of exceptions, and a statement of the consequences for violation of the Regulation.

In addition to providing organizational clarity, the amendment creates a definition for "University Official" so as to clearly identify the group of officials accountable to understand and comply with the Regulation.

Finally, the amendment revises the provision for exceptions to provide added clarity as to which University officials would have the authority to authorize an exception to the general prohibitions within the Regulation.

Supporting Documentation Included: Notice and Text for FGCU Regulation 5.010 Nepotism

Prepared by: Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera

Legal Review: Vice President and General Counsel Vee Leonard (October 11, 2019)

Submitted by: Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera
FLORIDA GULF COAST UNIVERSITY

NOTICE OF REGULATORY ACTION

REGULATION TITLE: Nepotism

REGULATION NO: 5.010

SUMMARY: This Regulation is being amended to provide clarity as to University Officials and their responsibility related to the subject matter of this Regulation.

FULL TEXT: The full text of the regulation being proposed is attached and can also be found at https://www.fgcu.edu/generalcounsel/regulations/

AUTHORITY: Board of Governors Regulation 1.001, University Board of Trustees Powers and Duties

UNIVERSITY OFFICIAL INITIATING THE PROPOSED/REVISED REGULATION: Steve Magiera, Vice President for Administrative Services and Finance

UNIVERSITY OFFICIAL APPROVING THE PROPOSED/REVISED REGULATION: Steve Magiera, Vice President for Administrative Services and Finance

CONTACT INFORMATION REGARDING THE PROPOSED/REVISED REGULATION: Todd Caraway Office of the General Counsel 10501 FGCU Blvd. S., Fort Myers, FL 33965-6565 (P): 239.590.1101 | (F): 239.590.7470 | Email: gco@fgcu.edu

Any person may submit written comments concerning a proposed regulation, amendment, or repeal to the contact person identified above within 14 days after the date this notice was posted. The comment(s) must identify the regulation to which you are commenting.

THIS NOTICE WAS POSTED ON THE FGCU WEBSITE ON NOVEMBER 25, 2019.
A. GENERAL STATEMENT

Employment of related persons at the University is allowed where there is no direct supervisory responsibility between related persons and where the functions of their positions do not create a conflict of interest, or if there is a conflict of interest, there is a demonstrated critical shortage of qualified applicants. An employee shall be considered in the direct supervisory line of his or her related person even though they are separated by intermediary positions.

B. (1) DEFINITIONS.

1. Related Person: (a) For the purposes of this regulation only, with respect to a University employee, a "related person" means an individual who lives in the same residence as the employee or is related to the employee as spouse, parent (including step, in-law, and adoptive parents), father, mother, child (including step, in-law, and adoptive children), son, daughter, sibling (including step, in-law, and adoptive) brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, daughter-in-law, son-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother, or half-sister. The term also includes any individual with whom the employee is currently engaged in a romantic or physical relationship.

2. University Official: For purposes of this regulation, the term means any University employee authorized to make employment-related recommendations or decisions about hiring, promotion, transfer, reclassification, compensation, benefits, work assignments, performance evaluations, training courses and programs, demotion, layoffs, return from layoff, termination, and all other tangible aspects of employment. (b) In some circumstances, an individual’s relationship with another person can give rise to an actual or apparent conflict of interest, therefore it is the responsibility of the current employee and/or applicant to disclose the relationship prior to acceptance of an offer of employment.

--- PROHIBITED SUPERVISORY RELATIONSHIP (c) Conflicts of Interest for the purpose of this regulation, a conflict of interest arises when a related person participates in making recommendations or decisions specifically affecting the appointment, retention, tenure, multi-year contract, work assignments, evaluations, promotion, demotion, or salary of his or her relative, or any attempt to influence a relative's supervisor with any regard to matters concerning that relative.

(d) Organizational Unit—For the purpose of this regulation, means a department.
(2) — GENERAL. Employment of related persons at the University is allowed where there is no direct supervisory responsibility between related persons and where the functions of their positions do not create a conflict of interest, or if there is a conflict of interest, there is a demonstrated critical shortage of qualified applicants. An employee shall be considered in the direct supervisory line of his or her related person even though they are separated by intermediary positions.

C._

It is the University’s practice to prohibit a University Official from having a supervisory role over any employee who is a Related Person of the University Official. A supervisory role shall include any situation in which the University Official would be in a position to make decisions concerning the terms and conditions of the person’s employment with the University. An employee shall be considered to have a supervisory role over his or her Related Person even though they are separated by intermediary positions. Supervisory relationships must also be also consistent with FGCU Policy 1.007, Consensual Relationships.

D. EXCEPTIONS TO BE AUTHORIZED——

(3) Procedures for Approval. A written Waiver requests shall be submitted request for the employment of related persons in the same organizational unit or in job-related organizational units shall be submitted by the employing department head to the respective Vice President or, if the employing department head is a presidential non Vice President direct report, to the President or designee for approval, prior to the offer of employment being made. The President or relevant Vice President or in cases involving a non Vice President direct report, the President or designee shall determine whether a conflict of interest will occur if the relative is employed and provide written notification of the approval or disapproval of the request to the employing department head and Chief Director of Human Resources Officer. The President shall approve or disapprove any request involving a person related to a Vice President or a non Vice President presidential direct report.

E. (4) VIOLATIONS AND PENALTIES

1. (a) In the event a related person covered by this regulation is hired without prior approval, whether through intentional or unintentional failure to disclose a conflicting relationship, the related person hired may be subject to one or more of the following actions: transfer, reassignment, and/or disciplinary action including dismissal.

2. (b) No employee shall attempt to influence the supervisor of a related person with regard to a term or condition of the related person's employment. A violation of this regulation shall result in disciplinary action pursuant to applicable University Regulations and the terms of any applicable collective bargaining agreement.
Action by Florida Gulf Coast University Board of Trustees:
   Approved: 10/21/08

Authority Law Implemented:
   BOG Regulation §112.3135, F.S. 1.001(5), University Board of Trustees Powers and Duties

History of Rule:
   New 04/17/97

History of Regulation:
   New 01/15/08; Amended 06/17/08; Amended 10/21/08; Amended

Approved Action by Florida Gulf Coast University Board of Trustees:
   Approved: 10/21/08

Effective Date of Regulation:
   10/21/08
ITEM: 22

Florida Gulf Coast University Board of Trustees
January 14, 2020

SUBJECT: FGCU Regulation 6.008 Protests

PROPOSED BOARD ACTION

Approve amendments to FGCU Regulation 6.008 Protests

BACKGROUND INFORMATION

This Regulation is amended to align with the State University System Board of Governors Regulation 18.002.

Supporting Documentation Included: (1) Summary Memo, and (2) Notice and Text for FGCU Regulation 6.008 Protests

Prepared by: Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera

Legal Review: Vice President and General Counsel Vee Leonard (November 20, 2019)

Submitted by: Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera
TO: FGCU Board of Trustees
FROM: Steve Magiera
SUBJECT: FGCU Regulation 6.008 Protests
DATE: January 14, 2020

The regulation on protests has increased from 2 pages to 15 pages with only one change. The old policy simply stated, “Protests shall be handled in accordance with the Board of Governors Regulation 18.002.” We are being asked by the Board of Governors to place the language from 18.002 into our own FGCU Regulation 6.008 in order to have consistency amongst all of the Universities.
FLORIDA GULF COAST UNIVERSITY

NOTICE OF REGULATORY ACTION

REGULATION TITLE:
Protests

REGULATION NO:
6.008

SUMMARY:
This Regulation is amended to align with the Board of Governors Regulation.

FULL TEXT:
The full text of the regulation being proposed is attached and can also be found at https://www.fgcu.edu/generalcounsel/regulations/

AUTHORITY:
Section 1010.04, Florida Statutes
BOG Regulation 1.001, University Board of Trustees Powers and Duties
BOG Regulation 18.002, Notice and Protests Procedures for Protests Related to a University’s Contract Procurement Process

UNIVERSITY OFFICIAL INITIATING THE PROPOSED/REVISED REGULATION:
Steve Magiera, Vice President for Administrative Services and Finance

UNIVERSITY OFFICIAL APPROVING THE PROPOSED/REVISED REGULATION:
Steve Magiera, Vice President for Administrative Services and Finance

CONTACT INFORMATION REGARDING THE PROPOSED/REVISED REGULATION:
Todd Caraway
Office of the General Counsel
10501 FGCU Blvd. S., Fort Myers, FL 33965-6565
(P): 239.590.1101 | (F): 239.590.7470 | Email: gco@fgcu.edu

Any person may submit written comments concerning a proposed regulation, amendment, or repeal to the contact person identified above within 14 days after the date this notice was posted. The comment(s) must identify the regulation to which you are commenting.

THIS NOTICE WAS POSTED ON THE FGCU WEBSITE ON DECEMBER 4, 2019.
A. GENERAL STATEMENT

The procedures set forth in this Regulation shall apply to protests that arise from all University contract procurement processes for the purchase of goods, Services, leases, and for construction-related competitive solicitations, and shall be the exclusive set of procedures applicable to all such protests.

B. DEFINITIONS

1. **Adversely Affected**: Where the University Decision or Intended Decision will cause immediate injury in fact to the Protestor and the injury is of the type that the pertinent law or regulation is designed to protect.

2. **Days**: Calendar Days.

3. **Decision or Intended Decision**: The Specifications; the rejection of a response or all responses to a competitive solicitation; the intent to award a contract pursuant to a competitive solicitation as indicated by a posted written notice; a sponsored research exemption; or a determination that a specified procurement can be made only from a sole source.

4. **Electronic Posting**: Posting on the University’s designated website.

5. **Filing**: When Filing documents or written materials with:

   a. **The Issuing Office**: the Filing is the delivery of the original of the document or written materials at the Issuing Office. Filing the Notice of Intent to Protest or the Formal Protest via email or facsimile is not permitted. The time allowed for Filing any documents or written material is not extended by the mailing of such.

   b. **The President, the President’s Designee, or the Presiding Officer**: Filing is the delivery of the documents or written material to the President, President’s Designee, or Presiding Officer via email or in person at a hearing.

6. **Formal Protest**: The formal written complaint that complies with the requirements of section F. of this Regulation.

7. **Issuing Office**: The office that issued the solicitation, or if a solicitation has not been issued, the office that made the Decision or Intended Decision that is being protested.
8. **Legal Holidays**: Those Days designated as holidays in section 110.117, Florida Statutes, and those Days, other than Saturdays and Sundays, when the University is officially closed.

9. **Notice of Intent to Protest**: A short and plain written statement that complies with the requirements of section E. of this Regulation.

10. **Potential Protestor**: Any actual or prospective bidder or offeror, person, or firm with standing to protest the Decision or Intended Decision.

11. **President**: Means the presiding President of the University.

12. **President’s Designee**: The person selected by the President to perform a specific delegated function on behalf of the President under this Regulation.

13. **President or President’s Designee**: Means the presiding President of the University; however, if the presiding President appoints a designee, shall mean the presiding President’s Designee only.

14. **Presiding Officer**: The Quasi-Judicial Officer or the University Official handling the Protest Proceeding.

15. **Protest Proceeding**: Either a summary proceeding involving a University Official or a quasi-judicial hearing involving a Quasi-Judicial Officer.

16. **Protestor**: Any actual or prospective qualified bidder or offeror, or person or firm that is Adversely Affected and has standing who timely files a Notice of Intent to Protest and also timely files a Formal Protest.

17. **Quasi-Judicial Officer**: The designated presiding official (may be an Administrative Law Judge or a qualified attorney with a minimum of five (5) years’ experience practicing law) in a Protest Proceeding where there are disputed issues of material fact.

18. **Serve or Service**: Sending a copy of the information to the parties via email communication at the email addresses of record.

19. **Specification**: The contents of the competitive solicitation or any addenda thereto; the approval of a sole source procurement; or other solicitation documents as permitted by applicable law or regulation.

20. **Timely Filed**: Actual receipt of documentation or written material by the Issuing Office, the President, the President’s Designee, or the Presiding Officer on or before the deadline.
21. University Official: The person appointed by the President to conduct a summary proceeding.

C. NOTICE OF DECISION OR INTENDED DECISION

The University shall provide a notice of Decision or Intended Decision by Electronic Posting. The notice shall contain the following statement: “Failure to timely file a protest or failure to timely deliver the required bond or other security in accordance with the Board of Governors (BOG) Regulations 18.002 and 18.003 shall constitute a waiver of Protest Proceedings.”

D. INITIATING A PROTEST

If a Potential Protestor desires to protest a Decision or Intended Decision of the University, the Potential Protestor must timely file a Notice of Intent to Protest, a Formal Protest, and the required Solicitation Protest Bond prescribed by BOG Regulation 18.003 with the Issuing Office.

E. NOTICE OF INTENT TO PROTEST

Timely Filing of a Notice of Intent to Protest.

a. Protesting a Specification

If the Potential Protestor is protesting a Specification, the Potential Protestor must timely file a Notice of Intent to Protest with the Issuing Office within seventy-two (72) hours of the University’s Electronic Posting of the Specification that is being protested. A Potential Protestor’s failure to timely file a Notice of Intent to Protest within seventy-two (72) hours of the posting of the Specification shall constitute a waiver of the right to Protest Proceedings related to that Specification.

b. Protesting any Other Decisions or Intended Decisions

If a Potential Protestor is protesting any Decision or Intended Decision other than a Specification, the Potential Protestor must timely file a Notice of Intent to Protest such Decision or Intended Decision with the Issuing Office within seventy-two (72) hours of the University’s posting of the notice of Decision or Intended Decision that is being protested. A Potential Protestor’s failure to timely file a Notice of Intent to Protest within seventy-two (72) hours of the University’s posting of the notice of Decision or Intended Decision being protested shall constitute a waiver of the right to Protest Proceedings related to that Decision or Intended Decision.

1) Filing Period for the Notice of Intent to Protest.

The 72-hour period for Filing the Notice of Intent to Protest regarding any Decision or Intended Decision begins upon the Electronic Posting of the
Decision or Intended Decision. If the end of the 72-hour period falls on a Saturday, Sunday, or Legal Holiday, the deadline for Filing the Notice of Intent to Protest shall be the next business Day. A Notice of Intent to Protest may not be filed before the 72-hour period begins.

2) Content of the Notice of Intent to Protest.

The Notice of Intent to Protest must be addressed to the Issuing Office; must identify the Potential Protestor, and must provide the Protestor’s or Protestor’s counsel or representative’s address, phone number, and email address; must state the name and address of the University whose action is being protested; must identify the solicitation by number and title, or if the intended protest is not related to a competitive solicitation, must provide other language that will enable the University to identify the Decision or Intended Decision being protested; and must state that the Potential Protestor intends to protest the Decision or Intended Decision.

F. FORMAL PROTEST AND SOLICITATION PROTEST BOND

1. Timely Filing of a Formal Protest and Solicitation Protest Bond

The Potential Protestor must timely file a Formal Protest with the Issuing Office within ten (10) Days after the date the Notice of Intent to Protest was filed. In addition, the Potential Protestor must timely file the required Solicitation Protest Bond with the Issuing Office within ten (10) Days after the date the Notice of Intent to Protest was filed. The failure of the Potential Protestor to timely file the Formal Protest or to timely file the Solicitation Protest Bond shall constitute a waiver of the Potential Protestor’s right to Protest Proceedings or the denial and dismissal of the Potential Protestor’s protest.

2. Content of the Formal Protest

The Formal Protest must state with particularity the facts and law upon which the protest is based. Only actual or prospective bidders or offerors who would be Adversely Affected by the University’s proposed action have standing to protest the award or intent to award a contract through competitive solicitation. The Formal Protest must contain the following:

a. The name of the Protestor and the address, telephone number, and email address of the Protestor or Protestor’s counsel or representative. The email address provided will be the email address used by the Issuing Office, the President, the President’s Designee, the Presiding Officer, and the other parties for serving the Protestor with notice, documents, and other materials related to the protest;

b. The identification of the University and competitive solicitation involved, if no competitive solicitation is involved, identification of the action being protested;
c. A statement of when and how the Protestor received notice of the Decision or Intended Decision that is being protested;

d. A concise statement of the facts, including the specific facts the Protestor contends warrant reversal or modification of the University’s Decision or Intended Decision;

e. A statement of all disputed issues of material fact, or if there are none, the Formal Protest must indicate so;

f. A statement of the specific regulations or laws that the Protestor contends require reversal or modification of the Decision or Intended Decision, including an explanation of how the alleged facts relate to the specific regulations or statutes;

g. A statement of all information establishing that the Protestor is an interested party for the purpose of Filing a protest, and how the Protestor would be Adversely Affected by the University’s proposed action;

h. A statement of the relief sought by the Protestor, stating precisely the action the Protestor wishes the University to take with respect to the protest; and

i. A copy of any documents or materials referenced or incorporated into the Formal Protest.

G. IMPACT ON PROCUREMENT PROCESS

1. Upon receipt of the Formal Protest by the Issuing Office, the Issuing Office will stop the solicitation or contract award process until the subject of the protest is resolved, unless the President sets forth in writing particular facts and circumstances which require the continuance of the solicitation or contract award process without delay in order to avoid an immediate and serious danger to the public health, safety, or welfare.

2. The President or President’s Designee may, in response to a Protest, terminate the contract procurement process, terminate the solicitation process, and/or reject all bids. If any such action is taken, the Protest shall be automatically dismissed, and the University may, if desired, reinitiate the contract procurement process.

H. UNIVERSITY’S RESPONSE TO A FORMAL PROTEST

The University will file a notice with the Issuing Office of the name, phone number, and email address for the attorney representing the University in the protest; the email address provided will be the email address used by the Issuing Office, the President, the President’s Designee, the Presiding Officer, and the other parties for serving the University with notice, and documents and material related to the protest. The University may also file a written
response to the Formal Protest with the Issuing Office within seven (7) Days after the date the Formal Protest is filed.

I. RIGHT OF COUNSEL

A party participating in the protest or appearing in a Protest Proceeding has the right, at the party’s own expense, to be represented by counsel of its own choosing or by a qualified representative.

J. RESOLUTION BY MUTUAL AGREEMENT

1. Informal Discussions

Following the timely Filing of a Formal Protest and Solicitation Protest Bond, the University may hold informal discussions with the Protestor to resolve the protest by mutual agreement. Such discussions, if made available, will take place within seven (7) Days of the Filing of the Formal Protest. The President or President’s Designee has the authority to settle or resolve protests.

2. Time Tolled

If informal discussions are scheduled, the time requirements related to this Regulation are tolled for the period of time from the date the Formal Protest is filed until the date the last informal discussion is scheduled for or held.

3. Settlement Agreement

Unless prevented by law, if the parties reach a mutual agreement and a term in the settlement agreement conflicts with this Regulation, the term in the settlement agreement will control.

4. Failure of Parties to Resolve by Mutual Agreement

If informal discussions are not held, or the informal discussions do not result in a mutual agreement between the parties, the protest shall proceed to either a summary proceeding or a quasi-judicial hearing, as appropriate.

K. DETERMINATION OF APPROPRIATE PROCEEDING

When there is no resolution by mutual agreement, the President or President’s Designee shall appoint a University Official, and the Initiating Office will forward all material filed by the parties to the University Official. The University Official will review the material filed by the parties that would be admissible in evidence to determine whether there are any disputed issues of material fact. If the protest contains no disputed issues of material fact, a summary
proceeding is appropriate. If the protest contains disputed issues of material fact, a quasi-judicial hearing is appropriate.

1. SUMMARY PROCEEDING

If the protest contains no disputed issues of material fact, the University Official shall conduct a summary proceeding. The summary proceeding will be conducted within thirty (30) Days after the date the Formal Protest was filed.

1. Notice of Proceeding

The University Official shall Serve written notice on all parties, such notice will allow the parties at least seven (7) Days from the date of the notice to file with the University Official any documents, memoranda of law, or other written material (collectively referred to as “written material”) in support of, or in opposition to, the University’s action or refusal to act and to Serve the other parties with a copy of the same. At the end of the seven (7) Days, the University Official shall then Serve a second (2nd) notice to the parties stating that the parties have seven (7) Days to file with the University Official and to Serve the other parties with their written responses to the written material filed by the other parties.

2. Informal Hearing

The University Official may, in the University Official’s sole discretion, schedule an informal hearing on the matter for the purpose of taking oral evidence or argument. If the University Official schedules an informal hearing, the University Official shall Serve the parties with written notice at least fourteen (14) Days prior to the hearing, setting forth the place, date, and time of the hearing.

3. University Official’s Recommended Order

a. The University Official will issue a Recommended Order to the President on whether the University’s proposed action is contrary to the applicable statutes, regulations, or policies governing the University, or to the Specifications. The University Official’s Recommended Order shall take into consideration only those documents and written materials filed by the parties, and if an informal hearing is held, information obtained as a result of the informal hearing.

b. The University Official’s recommended order shall be issued to the President within fifty (50) Days after date the Formal Protest was filed. The University Official shall Serve copies of the Recommended Order, along with the date the Recommended Order was issued, to the parties immediately after issuing the Recommended Order to the President.

c. The University Official shall also submit the recording of the informal hearing, if one
was held, and all documents and written material filed in the matter to the President when issuing the Recommended Order.

4. Exceptions to the University Official’s Recommended Order

The parties may file written exceptions to the Recommended Order. The Parties must file any exceptions to the Recommended Order with the President within seven (7) Days after the date the Recommended Order was issued.

5. The Final Order

The President shall enter a Final Order within twenty-one (21) Days after the date the Recommended Order was issued. In deciding whether to follow or depart from the University Official’s Recommended Order, the President may consider the written materials and exceptions filed by the parties, and the recording of the informal hearing, if any. The President’s Final Order is the final Decision of the University.

6. Point of Entry

Judicial review of the University’s final Decision shall be in accordance with Florida Rule of Appellate Procedure 9.190(b)(3), applicable to review of quasi-judicial Decisions of an administrative body not subject to the Administrative Procedure Act. A request for review may be made by Filing a petition for certiorari review with the appropriate circuit court within thirty (30) Days after the date of the University’s final Decision. Failure to seek timely review shall constitute a waiver of the right to appeal the University’s final Decision.

M. QUASI-JUDICIAL HEARING

If the Formal Protest contains issues of material fact, the President or President’s Designee shall refer the Formal Protest to a Quasi-Judicial Officer for a quasi-judicial hearing. The hearing shall be conducted within forty (40) Days after the date the Formal Protest was filed.

1. Appointment of Quasi-Judicial Officer

Within seven (7) Days after the date the Formal Petition was filed, the President or President’s Designee shall appoint a Quasi-Judicial Officer or forward a request for hearing and such other documents, laws, and regulations as may be required by the Florida Department of Administrative Hearings to the Department, and for assignment of an Administrative Law Judge to conduct a quasi-judicial hearing (‘‘hearing’’).

2. Notice of Hearing

a. Within seven (7) Days after being appointed, the Quasi-Judicial Officer shall issue a Notice of Hearing, stating the time, date, and location for the parties to present
evidence and argument on the issues under consideration. The Quasi-Judicial Officer shall set a time and place for all hearings and shall Serve written notice on all the parties.

b. The Quasi-Judicial Officer shall give no less than fourteen (14) Days’ notice of the hearing on the merits of the protest, unless otherwise agreed by the parties.

3. University Statement of Actions

Within seven (7) Days after the appointment of the Quasi-Judicial Officer, the University shall file a written statement to the Quasi-Judicial Officer stating the actions (proposed actions, actions already taken, or refusal to take action are referred to as “actions”) of the University, and a summary of the factual, legal, and policy grounds for such actions. The University shall immediately Serve a copy of the Statement of Actions on the other parties.

4. Protestor’s Response to University Statement of Actions

Within seven (7) Days after the University provides the University Statement of Actions to the Quasi-Judicial Officer, the Protestor may file a written response to such statement with the Quasi-Judicial Officer. The Protestor shall immediately Serve a copy of the Protestor’s Response to the University’s Statement of Actions on the other parties.

5. Discovery

After the assignment of the Quasi-Judicial Officer, the parties may obtain discovery through the means and manner provided in the Florida Rules of Civil Procedure 1.280 through 1.400. The Quasi-Judicial Officer may issue appropriate orders to effectuate the purposes of discovery and to prevent delay.

a. Each party must Serve a list of evidence to the other parties at least seven (7) Days prior to the first (1st) Day of the hearing, along with a general description of how the party intends to use the evidence in the hearing.

b. Each party must file a witness list with the Quasi-Judicial Officer and Serve the same on the other parties at least seven (7) Days prior to the first (1st) Day of the hearing. The parties must include a general description of how the party intends to use each witness in the hearing with the witness list.

6. De Novo Proceeding

The Quasi-Judicial Officer shall conduct a de novo proceeding to determine whether the University’s Decision or Intended Decision is contrary to the statutes, regulations, or policies governing the University, or contrary to the Specifications. The standard of proof for the proceedings shall be whether the proposed University action was clearly
erroneous, contrary to competition, arbitrary, or capricious. However, if the protest is regarding the University’s Decision to reject all responses to a competitive solicitation, the standard of review shall be whether the University’s intended action is illegal, arbitrary, dishonest, or fraudulent.

7. Burden of Persuasion

The burden of proof rests with the party protesting the University action.

8. Conduct of Hearing

All parties shall have an opportunity to present evidence; respond to all issues involved; conduct cross-examination and submit rebuttal evidence; and to submit proposed findings of fact and proposed orders.

a. The hearing shall be conducted in conformity with the Florida Rules of Civil Procedure and the Florida Rules of Evidence applicable to civil proceedings unless specifically contradicted by this Regulation or otherwise agreed by the parties.

b. Each party shall have a minimum of fifteen (15) minutes to argue its position. The Protestor shall present its argument first and have the opportunity for rebuttal. At the Quasi-Judicial Officer’s discretion, the University may have the opportunity for surrebuttal.

c. The Quasi-Judicial Officer has the right to question each party and any witnesses.

9. Recommended Order

The Quasi-Judicial Officer may request that the parties submit proposed findings of fact, conclusions of law, orders, and memoranda on the issues within a time designated by the Quasi-Judicial Officer. No later than thirty (30) Days after receipt of the hearing transcript, the Quasi-Judicial Officer shall issue a written Recommended Order to the President, and Serve a copy on each of the parties.

10. Preliminary Order and Exceptions to the Preliminary Order

Within fourteen (14) Days after the date the Recommended Order was issued, the President shall issue a Preliminary Order and Serve the parties with a notice of such order. If the Protestor takes exception to the Preliminary Order, the Protestor must timely file its written exceptions with the President within fourteen (14) Days after the date the Preliminary Order was issued. The Preliminary Order shall provide, “This Preliminary Order is the Final Order unless the Protestor files written exceptions to the Preliminary Order with the President no later than fourteen (14) Days after the date this Preliminary Order is issued.”
11. Final Order

a. If no written exceptions are Timely Filed, the Preliminary Order is the Final Order.

b. If the Protestor timely files written exceptions, then within fourteen (14) Days after the end of the fourteen (14) Day period for Filing exceptions to the Preliminary Order, the President will review the Preliminary Order and the Timely Filed exceptions and will render a Final Order.

c. The President’s Final Order is the final Decision of the University.

12. Point of Entry

Judicial review of the University’s final Decision shall be in accordance with Florida Rules of Appellate Procedure Rule 9.190(b)(3), applicable to review of quasi-judicial Decisions of an administrative body not subject to the Administrative Procedure Act. A request for review may be made by Filing a petition for certiorari review with the appropriate circuit court within thirty (30) Days after the University’s final Decision. Failure to seek timely review shall constitute a waiver of the right to appeal the University’s final Decision.

N. COMPUTATION OF TIME

In computing any period of time under this Regulation or by order of a Presiding Officer, the Day of the act from which the period of time begins to run shall not be included. The last Day of the period shall be included unless it is a Saturday, Sunday, or Legal Holiday, in which event the period shall run until the end of the next Day which is not a Saturday, Sunday, or Legal Holiday. When the period of time allowed is less than seven (7) Days, intermediate Saturdays, Sundays, and Legal Holidays shall be excluded in the computation. Notwithstanding the above, this section does not apply when computing the time period for Filing the Notice of Intent to Protest as it is computed in accordance with section E.b.2) of this Regulation.

O. CONFLICT

Following appointment of the University Official or the Quasi-Judicial Officer as the Presiding Officer of a Protest Proceeding, the attorney representing the University in the protest will not serve as legal advisor to the Presiding Officer until the Protest Proceedings are over (to include the period of time in which the final Decision of the University can be appealed).

P. INTERVENORS

Persons other than the original parties to a pending proceeding whose substantial interest will be affected by the proceeding and who desire to become parties may petition the Presiding
Officer for leave to intervene. Except for good cause shown, petitions for leave to intervene must be filed with the Presiding Officer no later than twenty (20) Days after the date the Formal Protest was filed. The petition shall include allegations sufficient to demonstrate that the intervenor is entitled to participate in the proceeding as a matter of constitutional or statutory right or pursuant to a BOG’s or University’s rule or regulation, or that the substantial interests of the intervenor are subject to determination or will be affected through the proceeding. The petition shall also include the email address of the intervenor or intervenor’s counsel or representative; the email address provided will be the email address used by the President, the President’s Designee, the Presiding Officer, and the other parties for serving the intervenor with notice, documents, and materials related to the protest. If time permits, the parties may, within seven (7) Days after Service of the intervenor’s petition, file a response in opposition to the petition with the Presiding Officer and Serve the same on the other parties. The Presiding Officer may impose terms and conditions on the intervenor to limit prejudice to other parties.

Q. PRESIDING OFFICER ORDERS

The Presiding Officer may issue any orders necessary to effectuate discovery, prevent delay, and promote the just, speedy, and inexpensive determination of all aspects of the protest.

R. MOTIONS

All requests for relief shall be by motion. All motions shall be in writing unless made on the record during a hearing and shall fully state the action requested and the grounds relied upon. The moving party shall file the motion with the Presiding Officer and Serve a copy on the other parties. When time allows, the other parties may, within seven (7) Days after Service of a written motion, file a response in opposition and Serve the same on the other parties. Written motions will normally be disposed of after the response period has expired based on the motion, together with any supporting or opposing memoranda. The Presiding Officer shall conduct proceedings and enter such orders as are deemed necessary to dispose of issues raised by the motion. Motions, other than a motion to dismiss, shall include a statement that the movant has conferred with the other parties of record and shall state whether any party has an objection to the motion. Motions for extension of time shall be filed prior to the expiration of the deadline sought to be extended and shall state good cause for the request.

S. EVIDENCE

In a protest to an invitation to bid or request for proposals procurement, no submissions made after the bid or proposal opening which amend or supplement the bid or proposal shall be considered. In a protest to an invitation to negotiate procurement, no submissions made after the University announces its intent to award a contract, reject all replies, or withdraw the solicitation which amend or supplement the reply shall be considered.

T. EXTENSIONS OR CONTINUANCES
The Presiding Officer may extend the time period for holding the hearing. The Presiding Officer may also grant a continuance of a hearing for good cause shown. Except in cases of emergency, requests for continuance must be made at least seven (7) Days prior to the date noticed for the hearing.

U. RECORDS

The University shall accurately and completely preserve all testimony and evidence in the proceeding, and upon the request of any party shall provide a copy of the testimony. The University may charge the cost of duplication to the requesting party. Proceedings shall be recorded by a certified court reporter or by recording instruments.

Any party to a hearing may, at its own expense, provide a certified court reporter if the University does not. The Presiding Officer may provide a certified court reporter. At a hearing reported by a court reporter, any party who wishes a transcript of the testimony shall order the same at its own expense. If a court reporter records the proceedings, the recordation shall become the official transcript.

V. COSTS AND ATTORNEY FEES

If the Quasi-Judicial Officer determines that the non-prevailing party has participated in the hearing for an improper purpose, the Quasi-Judicial Officer may award attorney’s fees and costs to the prevailing party, as appropriate. If the Quasi-Judicial Officer awards the University attorney’s fees and costs, upon Protestor’s payment of such costs, the University shall return the solicitation protest bond to the Protestor. “Improper purpose” means participation in the Protest Proceeding primarily to harass, cause unnecessary delay, frivolous purpose; needlessly increasing the costs of litigation, licensing, or securing the approval of an activity; or Filing a meritless protest.

W. CONTROL

The content of this Regulation is in accordance with BOG Regulation 18.002. If subsequence changes are made to BOG Regulation 18.002 that conflict with this Regulation, BOG Regulation 18.002 shall control.

1. Protests shall be handled in accordance with the Board of Governors’ Regulation 18.002.

2. Contract Award

The University shall provide notice of a decision or intended decision concerning a competitive solicitation, contract award, or exceptional purchase by electronic posting. This notice shall contain the following statement: “Failure to file a protest or failure to post the bond or other security as required in this Regulation shall constitute a waiver of protest proceedings.”
3. Notice of Protest

Any qualified bidder or proposer who is aggrieved in connection with an award of a contract may file a written notice to protest within 72 hours after the university’s electronic posting of award or notice of intent to award, provided the contract has not been fully executed. The notice of protest must be received before the expiration of the 72 hour period. Notices of protest filed after the 72 hour period will be rejected. The notice of protest must be filed with the Director of Procurement Services.

4. Formal Written Protest

The protesting bidder or proposer must reduce its protest to writing and it shall be filed with the Director of Procurement Services within ten calendar (10) days of the filing of the Notice of Protest. Formal written protest not filed within this 10 day period will be rejected. The formal written protest must state with specificity the grounds upon which the protest is based and also the action requested to be taken. At the filing of the written protest, the protesting bidder/proposer shall post with the Office of Procurement Services, a security, in the form of a bond (in a form and with such terms, approved by the Director), payable to Florida Gulf Coast University in an amount equal to one percent (1%) of the price quoted bid proposed, or ten thousand dollars ($10,000), whichever is less. In lieu of a bond, the University may accept an irrevocable letter of credit, cashier’s or certified check or money order in the above referenced amount (in a form, and with such terms, approved by the Director). If the protest is successful, the posted security will be refunded in full. If the protest is unsuccessful, the security will be returned, less all fees, expenses, damages, cost and charges incurred by the University. Noncompliance with this requirement, in whole or in part, shall be deemed to be a waiver by the protester of their rights under this regulation.

5. Upon receipt of a timely filed formal written protest, filed in accordance with this regulation, the Vice President of Administrative Services and Finance or their designee shall delay the execution of the contract until the protest is resolved by mutual agreement between the parties or by final order of the President. Such delay may be removed if, in consultation with the Vice President over the using department, the President determines that such a delay would have detrimental effect upon the University.

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**Law Implemented Authority:**

Section 1010.04, Florida Statutes  
BOG Regulation 18.002, Notice and Protests Procedures for Protests Related to a University’s Contract Procurement Process

**History:**  
New 7/10/97; Amended 9/30/99; Amended 01/15/08; Amended 10/21/08; Amended ________
Florida Gulf Coast University Board of Trustees  
January 14, 2020

SUBJECT: Fixed Capital Outlay Budget Quarterly Update

PROPOSED BOARD ACTION

Approve budget changes in Fixed Capital Outlay Budget Quarterly Update

BACKGROUND INFORMATION

This report updates the Fixed Capital Outlay Budget as of November 30, 2019.

Supporting Documentation Included: (1) Summary Memo, and (2) Fixed Capital Outlay Budget Quarterly Update

Prepared by: Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera

Legal Review: N/A

Submitted by: Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera
TO: FGCU Board of Trustees
FROM: Steve Magiera
SUBJECT: Fixed Capital Outlay Budget Update
DATE: January 14, 2020

This is a new report this year. The Board approved the original budget at the June Board meeting. Each quarter we present the update to the Board in the same manner that we update the Operating Budget update.

The changes are as follows:

Line 4 – Central Energy Plant was completed and is under budget by $54,908. These funds will be returned to the Auxiliary fund, which was paying for the improvements.

Line 7 – Reed Hall 153 & 163 Remodel was completed and is under budget by $15,434. These funds will be returned to the Carry Forward Balance.

Line 13 – Campus Dining-SoVi Dinning. This is a new item. We wish to renovate and remodel the food service location in South Village. The funds are being provided to us from our food service vendor, Chartwells. We are requesting a budget for this fiscal year of $300,000 in order to get the project started.

Line 15 – Maintenance. There were various maintenance items including some parking lot maintenance. The projects have been competed under budget by $62,872. These funds will be returned to Carry Forward Balance.

Lines 21 and 22 – SoVi Modular 2 and Lutgert Hall are being presented because of a change in the ruling by the Board of Governors as it relates to encumbrances. This year, for the first time encumbrances are considered Carry Forward. I believe there is a fifty–fifty chance that this may be reversed for next year.

Lines 23 and 24 – Alico Arena Phase 2 Remodeling and Center for Entrepreneurship and Innovation are completely funded by the Foundation and therefore there is no request for an approved budget. These are information items.
<table>
<thead>
<tr>
<th>PROJECT TITLE</th>
<th>FUNDING SOURCE</th>
<th>TOTAL PROJECT COST</th>
<th>AVAILABLE BUDGET FY19/20</th>
<th>ENCUMBRANCES</th>
<th>ACTIVITY TO DATE 11/30/19</th>
<th>BALANCE AS OF 11/30/19</th>
<th>FY 19/20 PROJECTED ADDITIONAL</th>
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<tbody>
<tr>
<td>1 Integrated Watershed/Coastal Studies (AB9)</td>
<td>PECO/Carry Forward</td>
<td>57,900,000</td>
<td>3,100,000</td>
<td>2,244,752</td>
<td>661,909</td>
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<td>2 University Recreation &amp; Wellness Center</td>
<td>CITF/DSOs</td>
<td>19,500,000</td>
<td>11,709,715</td>
<td>4,510,332</td>
<td>6,161,151</td>
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<td>3 Student and Community Counseling</td>
<td>Auxiliary</td>
<td>8,137,000</td>
<td>5,114,472</td>
<td>1,061,400</td>
<td>4,028,264</td>
<td>24,807</td>
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<td>4 Central Energy Plant</td>
<td>Auxiliary</td>
<td>2,000,000</td>
<td>65,860</td>
<td>0</td>
<td>10,952</td>
<td>54,908</td>
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<td>5 CEP Chiller Equipment</td>
<td>Carry Forward</td>
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<td>617,025</td>
<td>1,911</td>
<td>556,310</td>
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<td>6 Cohen Center Multi-Purpose Room</td>
<td>Carry Forward</td>
<td>1,847,968</td>
<td>1,685,157</td>
<td>874,860</td>
<td>593,046</td>
<td>217,251</td>
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<td>7 Reed Hall 153 &amp; 163 Remodel</td>
<td>Carry Forward</td>
<td>130,000</td>
<td>130,000</td>
<td>0</td>
<td>114,566</td>
<td>15,434</td>
<td>COMPLETED</td>
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<tr>
<td>8 WGCU Transmission Tower Replacement</td>
<td>PECO</td>
<td>3,590,000</td>
<td>2,470,515</td>
<td>1,137,552</td>
<td>721,739</td>
<td>611,224</td>
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<tr>
<td>9 WMKO Tower Project</td>
<td>Auxiliary/Grant/DSO</td>
<td>167,960</td>
<td>103,663</td>
<td>22,169</td>
<td>81,172</td>
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<td>322</td>
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<td>10 Housing Capital Improvements FY20</td>
<td>DSO</td>
<td>2,231,343</td>
<td>2,231,343</td>
<td>574,535</td>
<td>1,432,760</td>
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<td>11 Parking Capital Improvements FY20</td>
<td>DSO</td>
<td>200,000</td>
<td>200,000</td>
<td>17,789</td>
<td>34,456</td>
<td>147,755</td>
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<tr>
<td>12 Campus Dining/Brand Refreshment</td>
<td>Auxiliary</td>
<td>1,950,000</td>
<td>1,364,572</td>
<td>202,351</td>
<td>312,484</td>
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<td>13 Campus Dining - SoVi Dining</td>
<td>Auxiliary</td>
<td>1,035,000</td>
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<td>0</td>
<td>300,000</td>
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<td>14 Repair/Renovation/Maintenance</td>
<td>PECO</td>
<td>2,637,390</td>
<td>1,120,162</td>
<td>89,670</td>
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<td>15 Maintenance</td>
<td>Carry Forward</td>
<td>500,000</td>
<td>500,000</td>
<td>0</td>
<td>437,128</td>
<td>62,872</td>
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<tr>
<td>16 Wellness Center Remodel</td>
<td>Carry Forward</td>
<td>1,400,000</td>
<td>1,400,000</td>
<td>1,237,997</td>
<td>41,873</td>
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<tr>
<td>17 McT Hall, 1st Floor Remodel</td>
<td>Carry Forward</td>
<td>2,000,000</td>
<td>2,000,000</td>
<td>149,420</td>
<td>39,580</td>
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<td>18 Howard Hall, 1st Floor Remodel</td>
<td>Carry Forward</td>
<td>1,700,000</td>
<td>300,000</td>
<td>0</td>
<td>0</td>
<td>300,000</td>
<td>300,000</td>
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<td>19 McT Hall, 2nd Floor Remodel</td>
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<td>0</td>
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<td>20 Howard Hall, 2nd Floor Remodel</td>
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<td>0</td>
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<td>21 SoVi Modular 2</td>
<td>Carry Forward - Encumbrance</td>
<td>1,990,229</td>
<td>1,990,229</td>
<td>766,586</td>
<td>1,214,237</td>
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<td>22 Lutgert Hall 1300</td>
<td>Carry Forward - Encumbrance</td>
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<td>142,114</td>
<td>281</td>
<td>140,236</td>
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<tr>
<td>23 Alico Arena Phase 2 Remodel</td>
<td>DSO</td>
<td>1,500,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td>24 Center for Entrepreneurship and Innovation</td>
<td>DSO</td>
<td>8,000,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>TOTALS</td>
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<td>114,889,004</td>
<td>38,544,827</td>
<td>12,891,605</td>
<td>16,934,261</td>
<td>6,718,961</td>
<td>6,585,747</td>
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</tbody>
</table>
SUBJECT: Florida Gulf Coast University Financing Corporation Bylaws

PROPOSED BOARD ACTION

Approve the revised FGCU Financing Corporation Bylaws

BACKGROUND INFORMATION

FGCU's General Counsel has assessed the existing Bylaws and made recommendations to enhance the function of the FGCU Financing Corporation. The approval of the Fifth Amendment and Restatement of Bylaws for the Florida Gulf Coast University Financing Corporation took place at the FGCU Financing Corporation's September 24, 2019 meeting.

Supporting Documentation Included: (1) Summary Memo, and (2) Fifth Amendment and Restatement of the Florida Gulf Coast University Financing Corporation Bylaws (with deletions redlined and additions underlined in blue)

Prepared by: Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera

Legal Review: Vice President and General Counsel Vee Leonard (September 12, 2019)

Submitted by: Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera
TO: FGCU Board of Trustees
FROM: Steve Magiera
SUBJECT: Florida Gulf Coast University Financing Corporation Bylaws
DATE: January 14, 2020

On September 14, 2019, the Financing Corporation’s Board of Directors approved changes to the bylaws: The main changes to the bylaws are as follows:

1) Page 2 – Item 4. a. (2). The President of the University will also serve as the Assistant Secretary to the Financing Corporation Board. This is necessary because some of our board members are not local year round.

2) Page 2 – Item 4. a. (3). The President no longer recommends two of the board members to the University Board of Trustees. All board members will be recommended by the full Board of Directors of the Financing Corporation to the University Board of Trustees.

3) Page 5 – Item 9. g. The Financing Corporation now has the ability to call an emergency meeting with 24 hours’ notice. This can become necessary when dealing with bond issues, either new or refinancing.
FOURTH-FIFTH AMENDMENT
AND RESTATEMENT OF BYLAWS FOR
FLORIDA GULF COAST UNIVERSITY
FINANCING CORPORATION

BYLAWS

FLORIDA GULF COAST UNIVERSITY
A. NAME

The name of the Corporation shall be Florida Gulf Coast University Financing Corporation, a Florida not for profit corporation (the "Corporation"). The Corporation shall maintain a registered office in the State of Florida and a registered agent at such office.

B. MEMBERS

The Corporation shall have no Members.

C. BOARD OF DIRECTORS

1. General Powers

The business, property, affairs, and funds of the Corporation shall be managed, supervised, and controlled by its Board of Directors subject only to applicable law and the limitations contained in the Articles of Incorporation of the Corporation and these Bylaws and the powers and duties reserved to The Florida Gulf Coast University Board of Trustees (the "Board of Trustees") and the President of Florida Gulf Coast University (the "University") in regards to this Corporation. The Board of Directors shall have the authority to adopt policy for the Corporation, consistent with the Articles of Incorporation of the Corporation and these Bylaws.

2. Reserved Powers

The President of the University shall have the following specific powers and duties with regard to this Corporation:

a. To monitor and control the use of the University's resources by this Corporation;

b. To control the use of the University name by this Corporation;

c. To monitor compliance of this Corporation with federal and state laws;

d. To recommend an annual budget to the Board of Directors of this Corporation; and

e. To review and approve quarterly expenditure plans of this Corporation; and

f. To approve the contribution of funds or supplements to support intercollegiate athletics.
3. Number

The Board of Directors of the Corporation shall consist of at least five (5) voting directors.

4. Appointment and Election of Directors and Terms of Office

a. Effective as of the date of the confirmation by the University Board of Trustees of this Restatement, the current directors of the Corporation for the fiscal year ending 2011 shall have the status of new members and shall be appointed or elected in the following manner:

1) At least one (1) director shall be appointed by the Chair of the Board of Trustees;

2) One (1) director shall be the President of the University, who will also serve as Assistant Secretary to the Board in the absence of the Secretary; and

3) Two directors shall be recommended by the President of the University to the Board of Trustees for appointment;

4) Up to three (3) additional directors may be elected at a regular meeting of the Board of Directors by the then current members of the Board of Directors and recommended to the Board of Trustees for approval.

b. Terms of office of the members of the Board of Directors shall be four (4) years in length and shall be consistent with the fiscal year of the Corporation. A director shall not be eligible to serve more than two (2) consecutive terms. A director who has served two (2) terms consecutively may be re-appointed or re-elected to the Board of Directors after the expiration of one (1) year following the end of his or her last previous term, subject to the approval of the Board of Trustees, and will have the status of a new member. Notwithstanding the foregoing, the President of the University shall serve until the earlier of his or her resignation, removal from office, or death. A vacancy on the Board of Directors with respect to elected members may be filled by a vote of the remaining directors, subject to the approval of the Board of Trustees at their sole and absolute discretion. The Chair of the Board of Trustees and the President of the University shall designate or recommend, as appropriate, a replacement(s) for the director(s) appointed by him or her. If a director is appointed to fill a vacancy before the end of the term of his or her predecessor, such
director shall serve for the remainder of the term of the director being replaced. Vacancies filled with less than one (1) year of the term remaining shall not be counted as a term for purposes of eligibility to serve two (2) terms consecutively. All of the aforementioned appointments and elections of members of the Board of Directors shall act as recommendations to the Board of Trustees for approval.

5. Removal of Directors

A director may resign at any time by submitting a written resignation to the Chairperson and the Executive Director. Any voting director, other than the director appointed by the Chair of the Board of Trustees or the President of the University, may be removed from the Board of Directors at any time with or without cause by a two-thirds (2/3) vote of the Board of Directors. Such removal shall occur whenever, in its judgment, the interest of the Corporation would be best served, subject to the regulations of the Board of Trustees. Such removal will act as a recommendation requiring further approval by the Board of Trustees.

6. Resignation

A director may resign at any time by submitting a written resignation to the Chairperson and the Executive Director. If the Chairperson is resigning, he or she may submit his or her written resignation to the Executive Director. If the Executive Director is resigning, he or she may submit his or her resignation to the Chairperson and the President of the University, subject to the regulations and/or approval of the Board of Trustees.

6.7 Conflicts and Duality of Interest

No contract or other transaction between the Corporation and one (1) or more of its directors or any other corporation, firm, association, or entity in which one (1) or more of its directors are directors or officers or are financially interested is either void or voidable because of such relationship or interest, because such director or directors are present at the meeting of the Board of Directors or a committee thereof that authorized, approved or ratified such contract or transaction, or because his or their votes are counted for such purpose, if the contract or transaction is approved in compliance with the provisions of Section 617.0832 of the Florida Not For Profit Corporation Act, or any successor provision.

7.8 Conflict of Interest Policy

The Board of Directors shall adopt and keep in full force and effect a substantial conflict
of interest policy for its directors and principal officers in accordance with rules and regulations of the Internal Revenue Service applicable to tax exempt organizations and the State of Florida.

9. Meetings

a. A quorum shall consist of a majority of the total number of voting directors.

b. Quarterly meetings of the Board of Directors shall be held during each fiscal year as agreed upon by the Board for the convenience of the Directors. The day, hour, and place of the meetings shall be determined by the Chairperson. At its meeting nearest the end of the fiscal year, the Board shall elect Directors annually as provided in the Articles of Incorporation and these bylaws and shall transact such other business as may be brought before the meetings.

c. Special meetings of the Board of Directors may be called by the Chairperson of the Corporation, one-half (1/2) or more of the Directors, or the President of the University.

d. The voting members of the Board of Directors shall constitute a quorum at any meetings of the Board of Directors. All questions shall be determined by a majority vote. However, a majority of the voting members of the Board of Directors must concur in the following:

1) Amending the Bylaws; and

2) Amending the Articles of Incorporation.

e. Notice of all Board of Directors meetings shall be mailed or emailed by the Secretary, or staff designee, to the Directors not less than seven (7) calendar days preceding any such meeting. In the event the notice is of a special meeting, such notice shall indicate, briefly, the objects thereof and the nature of the business to be considered. No business except that stated in the notice shall be transacted at a special meeting except by the unanimous consent of the Directors present. When a quorum is present at any such meeting, a waiver of notice of such meeting or the objects thereof by a majority of all members shall be as effective and have the same force and effect as though all members had waived the requirements of this paragraph as to such notice.

8.f. Directors' Meetings
a. 1) An annual meeting of the Board of Directors (the last meeting of the fiscal year), shall be held within the State of Florida. All meetings of the Board of Directors must be held, with written notice to the public, at such time and place as from time to time shall be determined by the Chairperson of the Board of Directors or by the Executive Director. Such notices shall be provided no less than seven (7) calendar days in advance. Special meetings of the Board of Directors may be called by the Chairperson of the Board or the Executive Director or Secretary of the Corporation or any two directors. Meetings may be conducted by telephone conference or similar communications equipment provided all persons participating in such meetings are able to hear each other and a roll call vote is taken.

b. 2) At all meetings of the Board of Directors, the presence of a quorum majority of the total number of voting directors shall be necessary and sufficient to constitute a quorum for the transaction of business. Directors attending by telephone shall be considered as being present at the meeting. Unless otherwise required by the Articles of Incorporation, these Bylaws, or Florida Statutes, the act of a majority of the directors present shall be the act of the Board of Directors. In the absence of a quorum, a majority of the voting directors present may adjourn the meeting from time to time until a quorum shall be present for the transaction of business.

g. Emergency Meetings

An emergency meeting of the Board of Directors may be called by the Chairperson upon no less than twenty-four (24) hours’ notice whenever, in the opinion of the Chairperson, an issue requires immediate Board of Directors action. Whenever such emergency meeting is called, the Chairperson will notify the Executive Director who will immediately serve either verbal or written notice upon each member of the Board of Directors, stating the date, hour, and place of the meeting and the purpose for which the meeting has been called. No other business will be transacted at the meeting unless additional emergency matters are agreed to by a majority of the directors in attendance. The minutes of each emergency meeting will show the manner and method by which notice of such emergency meeting was given to each member of the Board of Directors.

9. Executive Director

The Executive Director shall be the University Vice President for Administrative Services and Finance and shall be staff to the Board of Directors. He or she shall be
responsible for the general, day-to-day management of the affairs of the Corporation, reporting directly to the President of the University. He or she shall exercise such authority to accept gifts, collect revenues and make expenditures as he or she deems necessary. The Executive Director is authorized to direct the sale of real estate of the Corporation and is also authorized to execute, in the name of Florida Gulf Coast University Financing Corporation, with the Secretary attesting, all certificates, contracts, leases, deeds, notes, and other documents or legal instruments. He or she shall be responsible for the maintenance and management of the Corporation's activities and personnel. Any vacancy in the Executive Director position will be filled by the President of the University, in consultation with the Board of Directors.

D. OFFICERS

1. Officers

The officers of this Corporation shall be a Chairperson, a Secretary, a Treasurer, and such other officers as may be determined by the Board of Directors. Only voting members of the Board of Directors of the Corporation may be elected as an officer of the Corporation pursuant to this Article 4section D. All officers shall have such authority and perform such duties as described below.

a. Chairperson

The Chairperson shall be the Chief Executive Officer of the Corporation, and shall report to the President of the University. The Chairperson shall preside at all meetings of the Board of Directors and shall do and perform such other duties as may be assigned by the Board of Directors. The Chairperson is authorized to execute, in the name of Florida Gulf Coast University Financing Corporation, with the Secretary attesting, all legal instruments or other documents authorized or issued by the Board of Directors requiring an attestation or other verification of authority.

b. Secretary

The Secretary or staff (designee) shall keep full and accurate minutes for all meetings of the Board of Directors and the Executive Committee. He or she, or the Assistant Secretary, may sign documents with the Chairperson in the name of the Corporation. The Secretary shall have charge of all official records of the Corporation that shall be at all reasonable times open to examination of any director, and shall in general perform all duties incident to management of the office of Secretary for the Board of Directors. The Secretary may designate, as necessary.
some of the functions above.

c. Treasurer

The Treasurer shall be a member of the Finance Committee, if any, of the Corporation. He or she shall present the financial statements of the Corporation to the Board of Directors at each regular meeting of the Board of Directors and at such other times as the Board of Directors may determine. He or she shall ascertain that a full and accurate account is made of all monies received and paid out on accounts administered by the Corporation, and shall, in general, perform all duties incident to management of the office of Treasurer for the Board of Directors.

2. Election of Officers and Term of Office

At the meeting nearest the end of the fiscal year, the Board of Directors shall elect, as necessary, in the manner hereinafter prescribed, officers of the Corporation who shall serve terms of two (2) years, each commencing immediately following their election or appointment. Such election or appointment shall act as a recommendation to the Board of Trustees for final approval.

3. Removal

Any officer may be removed by two-thirds (2/3) vote of the Board of Directors whenever, in its judgment, the best interests of the Corporation would be served. Such removal shall act as a recommendation to the Board of Trustees for approval.

4. Vacancies

A vacancy in any office because of death, resignation, removal, disqualification, or otherwise may be filled by a recommendation of the Board of Directors to the Board of Trustees for approval.

E. STAFF

1. Executive Director

The Executive Director shall be the University Vice President for Administrative Services and Finance and shall be staff to the Board of Directors. He or she shall be responsible for the general, day-to-day management of the affairs of the Corporation,
reporting directly to the President of the University. He or she shall exercise such authority to collect revenues and make expenditures as he or she deems necessary. The Executive Director is authorized to direct the sale of real estate of the Corporation and is also authorized to execute, in the name of Florida Gulf Coast University Financing Corporation, with the Secretary attesting, legal instruments and other documents regarding any matters involving general, day-to-day management of the affairs of the Corporation. He or she shall be responsible for the maintenance and management of the Corporation's activities and personnel. Any vacancy in the Executive Director position will be filled by the President of the University, in consultation with the Board of Directors.

2. Assistant Treasurer

The Assistant Treasurer position shall be held at all times by the Controller of the University. The Assistant Treasurer shall maintain an account and statement of all financial transactions of the Corporation. He or she shall at all reasonable times exhibit the Corporation books and accounts to any Director of the Corporation. The Assistant Treasurer shall also be staff to the Board of Directors and shall perform such duties as directed by the Corporation Board of Directors.

E.F. COMMITTEES

1. Creation of Committees

The Board of Directors may, by resolution passed by a majority of the whole Board, designate an Executive Committee and one (1) or more other committees, each to consist of one (1) or more of the directors of the Corporation.

2. Executive Committee

The Executive Committee, if there shall be one, shall consult with and advise the officers of the Corporation in the management of its business and may exercise, to the extent provided in the resolution of the Board of Directors creating such Executive Committee, such powers of the Board of Directors as can be lawfully delegated by the Board of Directors. The Chair of the Board of Trustees' appointee and the President of the University shall serve as members of the Executive Committee.

3. Other Committees
Such other committees shall have such functions and may exercise the powers of the Board of Directors as can be lawfully delegated and to the extent provided in the resolution or resolutions creating such committee or committees.

4. Meetings of Committees

Regular meetings of the Executive Committee and other committees shall be held with notice at such time and at such place as shall from time to time be determined by the Executive Committee or such other committees, and special meetings of the Executive Committee or such other committees may be called by any member thereof upon two (2) days' written notice to the public.

5. Vacancies on Committees

Vacancies on the Executive Committee or on such other committees shall be filled by the Board of Directors then in office at any regular or special meeting. However, if the vacancy on the Executive Committee is with respect to the director appointed by the Chair of the Board of Trustees, then the Chair of the Board of Trustees shall designate a replacement.

6. Minutes of Committees

The Executive Committee, if there shall be one, and such other committees shall keep regular minutes of their proceedings and report the same to the Board of Directors when required.

**F.G. INDEMNIFICATION**

The Corporation shall indemnify each director, officer, employee, and agent of the Corporation, and may indemnify any other person, to the full extent permitted by the Florida Not For Profit Corporation Act and any applicable laws. The rights conferred by this Section 6.1 shall not be exclusive of any other right that any director, officer, employee, agent or other person may have or hereafter acquire under the Florida Not For Profit Corporation Act, any other statute or agreement, pursuant to a vote of disinterested directors, or otherwise. No repeal or modification of this Section 6.1 shall limit the rights of any director, officer, employee, or agent to indemnification with respect to any action or omission occurring prior to such repeal or modification.

**G.H. AMENDMENT**
These Bylaws may be amended by the vote of a majority of the Board of Directors of this Corporation, but only if confirmed by the Board of Trustees of the University after submission to them by the President of the University.

1. **Bylaws**

   These bylaws may be altered, amended, rescinded, or replaced at any quarterly or special meeting of the Board of Directors by the affirmative vote of a majority of the Board of Directors and shall be recommended to the Board of Trustees by the University President for consideration. Written notice of any proposed amendment of the Bylaws shall be mailed or emailed to each member of the Board of Directors not less than seven (7) calendar days prior to any meeting at which such proposed amendment is to be considered.

2. **Articles of Incorporation**

   The Articles of Incorporation of the Corporation may be altered or amended at any annual or special meeting of the Board of Directors by resolution approved by the affirmative vote of a majority of the voting members of the Board of Directors, subject to approval by the Secretary of State of the State of Florida as required by law. Written notice of any proposed amendment of the Articles of Incorporation shall be mailed to each member of the Board of Directors not less than fifteen (15) calendar days prior to any meeting at which such proposed amendment is to be considered. Any substantive amendment (i.e. changes to the policies or purpose of the Corporation or its primary operating procedures) to the Articles of Incorporation shall be recommended by the University President to the Board of Trustees for consideration.

### H.I. QUARTERLY EXPENDITURE PLANS

This Corporation shall prepare and submit to the President of the University, no later than the first day of each quarter of the Corporation's fiscal year, a quarterly expenditure plan that delineates planned actions that would cause a commitment of University resources or represent a significant commitment of the resources of this Corporation, including:

1. **1. Major fund raising events and campaigns and their purpose;**

2. **2. Compensation and benefits to University employees and employees of the Corporation;**

3. **2. Capital projects, including land acquisition, construction, renovation, or repair; and**
4.3. Other major commitments of the resources of this Corporation.

I.J. FISCAL YEAR AND FINANCIAL AUDITS

1. Fiscal Year

The fiscal year of the Corporation begins on July 1 and ends on June 30 of the following year.

2. Financial Audits

After the close of each fiscal year, the Corporation shall cause a financial audit of its accounts and records to be conducted by an independent certified public accountant pursuant to Section 1004.28, Florida Statutes, as may be amended or supplemented, and in accordance with the rules adopted by the Auditor General pursuant to Section 11.45, Florida Statutes, as may be amended or supplemented. The President of the University shall submit the annual audit report to the Board of Trustees and the Auditor General within nine (9) months after the end of the fiscal year. In addition, the Corporation shall provide a copy of its federal Application for Recognition of Exception (form 1023) and each year shall provide a copy of its Form 990, Return of Organization Exempt from Federal Income Tax, to the President of the University and the State Board of Education and/or the Board of Governors, as required by applicable laws of the State of Florida.

J.K. EMPLOYEES

The Corporation shall have no employees. Any person employed by the Corporation shall not be considered an employee of the State of Florida or an employee of the University by virtue of his or her employment by the Corporation. The Corporation shall provide equal employment opportunities to all persons regardless of race, color, religion, gender, age, or natural origin.

K.L. PARLIAMENTARY RULES

The most recent edition of "Roberts Rules of Order" shall be followed in conducting the meetings of the Board of Directors, unless otherwise provided in these Bylaws.

M. MISCELLANEOUS

1. Relationship with Florida Gulf Coast University
a. General

The Corporation operates as a Direct Support Organization for Florida Gulf Coast University as defined by Florida Statutes and the State University System of Florida. The Corporation adheres to and will follow the policies and procedures established by the State University System of Florida for Direct Support Organizations.

b. Control of University Resources

Pursuant to the authority so vested by the FGCU BOT, the University President is authorized to monitor and control the use of the University’s resources and the University’s name.

c. Non-Discrimination

The Corporation will not discriminate based on race, color, religion, age, disability, sex, national origin, marital status, genetic predisposition, sexual orientation, gender identity/gender expression, and/or veteran status.

d. Confidentiality of Corporation Documents

Confidentiality of Corporation documents are governed by Section 1004.28, Florida Statutes. Upon receipt of a reasonable and specific request in writing, the Corporation will disclose those materials required by law so determined to be subject to public records laws. The Corporation will not release any information exempt from disclosure.

e. Indemnification

The Corporation shall indemnify, to the fullest extent provided by law, any person who was or is a party to any proceeding by reason of the fact that he or she was or is serving as a Director or Officer of the Corporation, or was or is serving at the request of the Corporation as a trustee, director, or officer of another corporation or enterprise for the benefit, and at the direction, of the Corporation, against liability and expenses incurred in connection with such proceeding, including any appeal thereof, if such person acted in good faith and in a manner he or she reasonably believed to be in, and not opposed to, the best interests of the Corporation.
This Fifth Amendment and Restatement of Florida Gulf Coast University Financing Corporation Bylaws shall supersede the original and all amendments and restatements thereto.

CERTIFICATION

The undersigned, as Secretary of the Corporation, hereby certifies that the foregoing Fourth Amendment and Restatement of the Florida Gulf Coast University Financing Corporation Bylaws were approved by no less than a majority vote of the members of the Board of Directors of the Corporation at their regular quarterly meeting held on June 6, 2018.

____________________________________
Signature

____________________________________
Print Name
Florida Gulf Coast University Board of Trustees  
January 14, 2020

SUBJECT: Investigation - Bishop (Purchasing Card)

PROPOSED BOARD ACTION

Information only

BACKGROUND INFORMATION

This report represents an investigation into the University Purchasing Card (P-Card) activity of Dr. Winston Bishop, who previously held several positions in the Student Support Services area as Assistant Director of Outreach Programs. From his designation as a Project Director on a grant, and with his University-issued purchasing card, he had access to several funds in his 18 months of employment with FGCU.

The investigation was subsequent to a P-Card audit conducted by Procurement Services and includes information gleaned from individuals close to the activity at issue.

An oral report by Director of Internal Audit William Foster was provided to the Audit and Compliance Committee at its meeting on September 10, 2019, with a written report on the investigation to be provided to the Committee at its next meeting. This written report was provided as an information item to the Audit and Compliance Committee at its December 13, 2019 meeting.

Supporting Documentation Included: Investigation - Bishop Report issued November 6, 2019

Prepared by: Director of Internal Audit William Foster

Legal Review: Vice President and General Counsel Vee Leonard (November 20, 2019)

Submitted by: Audit and Compliance Committee Chair Joseph Fogg III
Florida Gulf Coast University
Investigation - Bishop
Report Date: November 6, 2019
INVESTIGATION - BISHOP

EXECUTIVE SUMMARY
This Report represents an investigation into the University-issued Purchasing Card (P-Card) activity of Dr. Winston Bishop (Bishop). He was employed in the Division of Student Success and Enrollment Management as Assistant Director, Outreach Programs, in the area of Student Support Services. Bishop, through his P-Card, had the ability to make expenditures which could be determined to be inappropriate and unauthorized.

By inquiry with the Business Manager in Student Success and Enrollment Management, I was able to identify and review the relevant transactions in the Banner accounting system to which Bishop may have had access. Of the more than 400 transactions reviewed, 6 items came to my attention as inappropriate charges:

- 02/04/19 Hertz Car Rental $3,297.79
- 02/04/19 Hertz associated tolls 59.42
- 04/27/19 Enterprise 37.04*
- 05/13/19 Avis Rent a Car 3,281.38
- 05/13/19 Avis associated tolls 41.50
- 07/01/19 Enterprise 766.00

Total 7,483.13

While these transactions were on Bishop’s P-Card, no charges were paid with a Federal or State grant. Moreover, Bishop reimbursed the University for misused funds.

*Charge was removed by Enterprise.

STATEMENT OF ACCORDANCE

This investigation was conducted in accordance with the Standards for Complaint Handling and Investigations for the State University System of Florida.

Background of the P-Card Program and Related-Controls

The P-Card Program at FGCU is designed to provide a more efficient means of making routine purchases and payments without having to go through the Purchase Order process or reimbursement process. P-Card cardholders are issued P-Cards as authorized by the cardholders’ department head or other appropriate authority. Once a P-Card has been issued, and a cardholder has received training, a cardholder’s transaction activities can be monitored on a daily basis.

The P-Card program relies on internal controls within the Procurement Services Office, as well as responsibilities required of the P-card holder, the reconciler, the cardholder’s supervisor, and the
P-Card Administrator. P-Card controls have been put in place to ensure that Cardholders are spending University funds for purposes that are aligned with institutional objectives. Such controls are necessary in order to safeguard University assets, reduce instances of fraud, and ensure compliance with purchasing procedures.

P-Card activities are also reviewed through an audit conducted by the P-Card Administrator in the Procurement Services Department within the first 90 days of issuance, and at any time thereafter. An audit can also be conducted by the Internal Audit Department and/or by the State of Florida.

FGCU utilizes the Visa network secured through the Bank of America. In addition, all charges are reviewed, reconciled, and paid through the P-Card module of Banner Finance. P-Card transaction activity is updated daily in Banner and reconcilers are encouraged to review Banner daily, checking for new transactions and clearing outstanding charges. This is important so that possible fraud will be addressed immediately.

One particular allowable purchase which is the subject of this audit report are travel-related expenses to be covered with a P-Card. Such expenses should be preapproved by the appropriate authorities by means of a Travel Authorization Request (TAR). Any travel-related expenses paid for with a P-Card before an approved TAR is submitted, may have to be reimbursed by the Cardholder.

Note: The controls identified here are memorialized in the Florida Gulf Coast University Purchasing Card Program Cardholder Manual and Reconciler Manual located on the University’s Intranet.

**Analysis of Misuse of P-Card**

Success of the P-Card Program relies on the cooperation and professionalism of all personnel associated with it. In the Bishop case, we see a breakdown of the controls in place for the P-Card Program. While all those involved and mentioned below have been trained and made aware of their obligations and roles in the P-Card Program, issues of compliance can be easily disrupted if the Cardholder, the Reconciler, the Supervisor, and the P-Card Administrator do not follow the controls set by the Procurement Services Department. This lack of cooperation and professionalism are exhibited in the facts and violation of controls laid out below.

Bishop received his University-issued P-Card in February 2018, shortly after his hire. Up until approximately one year after his hire, Bishop showed a clean audit. However, in February 2019, the P-Card reconciler Maureen Chiriguayo, detected travel-related transactions activity (in excess of $3,000) on Bishop’s P-Card which were not preapproved through a TAR. The reconciler informed Bishop’s supervisor Dr. Dolores Kiesler, but while Bishop’s supervisor met with him, neither the P-Card reconciler nor Bishop’s supervisor reported the unapproved transactions to the P-Card Administrator. Moreover, Bishop’s supervisor allowed Bishop to informally repay the P-Card charges and keep his P-Card. All responses to the unapproved P-Card activity were not consistent with the controls put in place by the Procurement Services Department.

A few months later (May 2019), Bishop again used his P-Card twice for unauthorized travel-related activity (in excess of $3,000) without a TAR. Again, the unauthorized travel-related activity...
transactions were detected by the reconciler and subsequently reported to Bishop’s supervisor. Again, the unauthorized transactions were not reported to the P-Card Administrator, but Bishop’s supervisor spoke to him, requiring repayment. This time, Bishop’s supervisor confiscated Bishop’s card and placed it in a desk drawer. However, by confiscating the card and not informing the P-Card Administrator, the issuing card could not be canceled with the bank. Shortly thereafter, Bishop’s supervisor informed her supervisor of the ramifications of Bishop’s actions, as well as her own.

In mid June, a community member informed the University that Bishop was misusing his University-issued P-Card without authorization demonstrated with a TAR. Until this time, the P-Card Administrator was uninformed of Bishop’s P-Card activity. A P-Card Audit was requested of the P-Card Administrator, which was immediately initiated.

Subsequent to receiving information from a community member and subsequent to the confiscation of Bishop’s card, he again misused his P-card. One more time, the P-Card reconciler notified Bishop’s supervisor, but not the P-Card Administrator. However, this time, Bishop’s supervisor did, in fact, notify the P-Card Administrator. Subsequent to Bishop’s last travel-related transaction and receipt of the results of the P-Card audit, Bishop was separated from FGCU.

**Conclusion**

The allegation that Bishop had a history of misusing a credit card at his prior employer was supported by the information and documentation that it occurred, as well as misusing a P-Card while at FGCU. There were controls in place at FGCU to prevent this. The lack of a record on the employee’s background screening facilitated Bishop to continue his activities. When the supervisor learned of the prior misuse, she did not notify the P-Card Administrator. When misuse occurred at FGCU, the reconciler did notify her supervisor, but neither the supervisor nor the reconciler notified the P-Card Administrator of misuse. While Bishop’s P-Card had a $1,000 single transaction limit and a $5,000 monthly limit, it came to light during this investigation that the issuing bank allows rental car agencies to place a hold on a card for the deposit amount, then once the rental car is returned and the transaction posts, the bank allows a charge in excess of the single transaction limit and potentially in excess of the monthly limit.

Investigation Performed by:
William Foster, MBA, CPA, CIA, CGAP, CFE, CRMA, CCSA
Director, Internal Audit
EXHIBIT

Timeline

11/15/17 Winston Bishop applied to Florida Gulf Coast University for a position of Coordinator, College Reach-Out Program (CROP) & Scholars.

01/04/18 Human Resources at FGCU conducted a Level 2 background check on Bishop through Florida Department of Law Enforcement as prescribed. The background check had no mention of any criminal activity that would disqualify him from employment at Florida Gulf Coast University.

01/29/18 Bishop began employment at FGCU as Coordinator CROP & Scholars.

02/15/18 Bishop signed a P-Card application (approved by his supervisor).

06/03/18 Bishop was promoted to Assistant Director Outreach Programs.

11/08/18 Bishop’s supervisor receives an allegation from an employee (Employee 1) leaving the Outreach Program area of a news story on NBC-2 in Fort Myers dated 07/11/13 that Bishop had been suspended for misconduct while principal at an elementary school in Lee County School District.

11/09/18 Employee 1 meets with Assistant Director, Employee Relations & Engagement in FGCU’s Human Resources (HR) office and adds to the allegations against Bishop to include Bishop was terminated from Lee County School District for misusing a District credit card and Employee 1 provided additional documentation:

- Settlement agreement between the State of Florida Education Practices Commission and Bishop dated 06/01/15.
- Final Order from the State of Florida Education Practices Commission dated 09/17/15 which states Bishop used a Lee County School District credit card for $4,214 of personal purchases. Bishop resigned from Lee County School District, repaid the District and agreed to the following terms:
  - 3 month suspension of his Florida educator’s certificate
  - 2 year probation of Florida educator’s certificate if employed in a position requiring a Florida educator’s certificate

1 This and the item of 12/11/18 per a memo from the Office of Institutional Equity and Compliance dated 12/17/18, and discussed with Bishop and his supervisor.
Shall have the scope of his employment restricted to not handling school funds (emphasis added)
Pay a $750 fine to the State of Florida Education Practices Commission before 09/17/16
Order on Notice to Show Cause from the State of Florida Education Practices Commission dated 03/17/17 suspending Bishop’s Florida educator’s certificate for failure to pay $750 fine.

Subsequently, the Assistant Director, Employee Relations & Engagement in HR requests a P-Card audit on Bishop’s activity and refers the case to the Office of Institutional Equity and Compliance (OIEC).

12/04/18 Bishop’s P-Card audit of 03/15/18 to 11/15/18 showed no misuse with a rating of Excellent.

12/11/18 The Office of Institutional Equity and Compliance meets with Bishop and presents the evidence from Lee County School District. Bishop confirmed the information and states he made the University aware at the time of his application, although there was no evidence in his personnel file besides an OIEC memo to this effect. There was a memo from his supervisor, who states Bishop made her aware at the time of Bishop’s application, and that the supervisor contacted Bishop’s former supervisor at Lee County School District and again no evidence in his file beyond a memo. Per the P-Card Administrator, even with the declaration that Bishop be restricted from handling school funds as directed by the State of Florida Education Practices Commission (see 11/09/18 above), and agreed to by Bishop, no-one made the P-Card Administrator aware of this. Notwithstanding, Bishop’s supervisor was made aware and did not withhold Bishop’s P-Card usage until 05/14/19.

02/04/19 Bishop uses his FGCU P-Card for $3,297.79 with Hertz car rental, and $59.42 for associated tolls. The rental period was over 2 ½ months (11/15/18 to 02/04/19). The P-Card Reconciler (Administrative Specialist in Outreach Programs) was required to notify the P-Card Administrator to report the misuse, but failed to. The reconciler did report the misuse to Bishop’s supervisor who met with Bishop for an explanation. At that time, Bishop claimed the charge was an error and offered to, and did repay the charges on 02/13/19. However, Bishop’s supervisor failed to report the misuse to the P-Card Administrator and informally allowed Bishop to repay the charges and keep his P-Card.

04/27/19 Bishop uses his P-Card for $37.04 with Enterprise, and the charge was subsequently removed by Enterprise from the University’s P-Card.

05/13/19 Bishop uses his P-Card with Avis Rent a Car for $3,281.38 and $41.50 associated tolls.
05/14/19 Per interviews with Bishop’s supervisor and the reconciler, the reconciler in Outreach Programs notifies Bishop’s supervisor, who then notifies Bishop the charge must be repaid immediately and then withholds Bishop’s P-Card, by having the reconciler keep the card in her
desk, but the P-Card administrator was not notified, thus preventing the P-Card Administrator from canceling the card with the issuing bank.

05/20/19 Bishop’s supervisor (Dr. Kiesler) meets with her supervisor, Dr. Andrew Cinoman, Associate Vice President, Academic Engagement, to discuss ramifications.

06/21/19 An individual from the community made an allegation to the University of Bishop misusing a University issued P-Card and that the bill was subsequently paid with cash; however, no specifics or documentation was provided.

06/25/19 General Counsel notified FGCU’s P-Card Administrator, who promptly initiated a P-Card audit for 02/15/19 to 06/15/19 and discovered the misuse of 02/04/19 and an additional misuse on 05/13/19 of $3,281.38 rental and $41.50 tolls for an additional rental period of 03/21/19 to 05/13/19. Again, the reconciler and Bishop’s supervisor failed to notify the P-Card Administrator of the misuse when it occurred, and supervisor allows Bishop to make a partial repayment of $1,500.00 on 06/06/19, leaving a balance due of $1,822.88, and the card is not canceled.

07/01/19 Bishop uses his P-Card with Enterprise for $766.00 for renting a car from 06/18/19 to 07/01/19.

07/02/19 The reconciler notifies Dr. Kiesler (Bishop’s supervisor) about the $766.00 charge, and Kiesler then contacts her supervisor, Dr. Cinoman, and states Bishop needs to be terminated. Dr. Kiesler stated at this time, she had Bishop’s card shredded.

07/03/19 The reconciler finds the $766.00 charge, emails Bishop and requests a copy of the receipt for the Enterprise charge. The reconciler also notifies Dr. Kiesler, who then notifies the P-Card Administrator and requests the card’s cancellation. Dr. Kiesler also notifies her supervisor of the cancellation request.

07/05/19 Enterprise removed the $766.00 charge from the University’s P-Card.

07/22/19 Subsequent to his Notice of Intent to Discipline, Bishop’s supervisor examined Bishop’s computer and found what appear to be two personal documents involving Bishop, with a falsely used notary seal belonging to another FGCU employee in Bishop’s area.

07/31/19 The employee with the notary filed a report with the University Police Department of the falsely used notary seal, and with the appropriate state office to cancel that seal.

Bishop was subsequently terminated from FGCU.
ITEM: 26

Florida Gulf Coast University Board of Trustees
January 14, 2020

SUBJECT: FGCU Policy 1.004 Fraudulent or Other Dishonest Acts

PROPOSED BOARD ACTION

Information only

BACKGROUND INFORMATION

FGCU Policy 1.004 Fraudulent or Other Dishonest Acts has been updated to move items from the “Exhibit” section to the body of policy.

While approval of University Policies is by the President, the subject matter of this Policy is related to the work of the Audit and Compliance Committee and thus was presented as an information item at the Committee's December 13, 2019 meeting.

Supporting Documentation Included: Text for FGCU Policy 1.004 Fraudulent or Other Dishonest Acts

Prepared by: Director of Internal Audit William Foster

Legal Review: Vice President and General Counsel Vee Leonard (November 5, 2019)

Submitted by: Audit and Compliance Committee Chair Joseph Fogg III
A. POLICY STATEMENT

Florida Gulf Coast University employees and entities doing business with the University have a responsibility to be good stewards of the public resources that have been entrusted to the University's care. As good stewards, employees, both of the University and of entities doing business with the University, are to behave ethically and to abide by all applicable laws, regulations, rules, and policies.

University employees and agents are required to report any suspected act of fraud, criminal conduct, mismanagement, or misrepresentation to the appropriate supervisor, administrator, Vice-President, or to the Office of Internal Audit.

Any employee who is found to have participated in or failed to report fraudulent or other dishonest acts may be subject to disciplinary action.

B. REASON FOR POLICY

The University must be a good steward of the public resources that have been entrusted to its care. Adherence to the Code of Ethics, safeguarding of resources, and compliance with laws, rules, regulations, and policies by University employees and entities doing business with the University provide stewardship and accountability for the University’s public resources.

Generally, University employees and contractors abide by laws and regulations; however, incidents of fraudulent or other dishonest acts may occur. The University does not tolerate fraud, criminal conduct, mismanagement, or misrepresentations. This Policy provides a process for reporting suspected fraudulent or other dishonest activities and defines relevant terms. Examples of occupational fraud and abuse, include, but are not limited to:

1. Corruption
   a. Conflicts of Interest (purchasing schemes, sales schemes, etc.)
   b. Bribery (invoice kickbacks, bid rigging, etc.)
   c. Illegal Gratuities
   d. Economic Extortion
2. Asset Misappropriation

   a. Cash
      1) Larceny (of cash on hand, from the deposit, etc.)
      2) Fraudulent Disbursements
      3) Billing Schemes (shell company, personal purchases)
      4) Payroll Schemes (ghost employees, commission schemes, falsified wages)
      5) Expense Reimbursement (mischaracterized expenses, overstated expenses, fictitious expenses, multiple reimbursements)
      6) Check Tampering (forged maker, forged endorsement, altered payee, concealed checks, authorized maker)
      7) Register Disbursements (false voids, false refunds)
      8) Skimming
         a) Sales (unrecorded, understated)
         b) Receivables (write-off schemes, lapping schemes, unconcealed)
         c) Refunds
   
   b. Inventory and All Other Assets
      1) Misuse (including personal use of University assets)
      2) Larceny (asset requisition and transfer, false sales and shipping, purchasing and receiving, unconcealed larceny)

3. Fraudulent Statements

   a. Financial
      1) Asset/Revenue Overstatement (timing differences, fictitious revenues, concealed liabilities and expenses, improper disclosure, improper asset valuations)
      2) Asset/Revenue Understatements
   
   b. Non-Financial
      1) Employment Credentials
      2) Internal Documents
C. PROCEDURES

1. All University employees are expected to observe the provisions of the Code of Ethics for Public Officers and Employees, Part III of Chapter 112, Florida Statutes.

2. Administrators at all levels of management should set the appropriate tone by displaying the proper attitude towards the resources entrusted to the University. The appropriate tone includes, but is not limited to, ethical behavior and compliance with laws, regulations, rules, and policies. Administrators and management are also responsible for establishing and maintaining proper internal controls to provide for the security and accountability of resources entrusted to them. In addition, administrators should be cognizant of inherent risks and exposures in their areas of responsibility, and be aware of possible symptoms of fraudulent and other dishonest acts.

3. Employees and other individuals who have a reasonable basis for believing that fraud, mismanagement, or misrepresentation has occurred must report it to his or her supervisor, to the appropriate administrator or Vice President, or to the Director of Internal Audit. However, individuals who observe a criminal act in progress, such as theft or destruction of property, or who have reasonable suspicion that a criminal act has been committed, should immediately report the suspected criminal activity to the University Police or, if the activity occurs off-campus, other law enforcement agency. They should not confront the individual in question (being observed), but allow the law enforcement agency to handle the matter.

4. Supervisors and administrators at all levels of management who become aware of suspected fraudulent and dishonest activity should report the suspected activity to the appropriate Vice President, Director, Equity, Ethics and Compliance, Director of Internal Audit, or Director, Campus Safety, Campus Police. The President has designated the Office of Internal Audit as the official contact for reporting suspected fraudulent or other dishonest acts. It is the responsibility of the Office of the Director of Internal Audit, or designee, to investigate or direct to the proper agency for handling, allegations of fraudulent, other dishonest acts, or any other acts covered under this policy. Employees shall not confront the individual being investigated, or initiate investigations on their own, as such actions can compromise any ensuing investigation.

5. The constitutional rights of all persons are to be preserved observed during all aspects of an investigation. Employees are required to cooperate with any police or audit investigation, and the employee may be requested to keep their knowledge of an investigation confidential as permitted by Florida Statutes.

6. The Whistle-blower’s Act, Section 112.3187, Florida Statutes, provides protection from retaliatory action for employees of the University who report suspected fraudulent or other dishonest acts, and for employees who cooperate with an ensuing investigation. The University’s Director of Internal Audit is the University’s official contact for reporting suspicious activities under the Whistle-blower’s Act. Information about the
Whistle-blower’s Act is available from the Office of Internal Audit, from the Internal Audit’s website, or Sections 112.3187 and 112.3188, of the Florida Statutes.

7. Employees found to have participated in or failed to report a fraudulent or other dishonest act, may be subject to disciplinary action pursuant to a collective bargaining agreement or University regulation. Criminal or civil actions may also be taken against employees or other individuals who participate in criminal or other dishonest acts.

**D. HISTORY**

This is the first policy to address the subject matter.

**E. APPENDICES**

Florida Statutes:

- Part III, Chapter 112, F.S., Code of Ethics for Public Officers and Employees
- Section 1001.74, Powers and Duties of University Boards of Trustees
- Appendix A

**Authority**

BOG Regulation 1.001, University Board of Trustees Powers and Duties
Part III, Chapter 112, Florida Statutes, Code of Ethics for Public Officers and Employees

**History of Policy**

New 07/24/2008; Amended

**APPROVED**

Michael V. Martin, President

Date
EXHIBIT “A”

EXAMPLES OF OCCUPATIONAL FRAUD AND ABUSE

I. Corrupt
   a. Conflicts of Interest: Purchasing Schemes, Sales Schemes, Other
   b. Bribery: Invoice Kickbacks, Bid Rigging, Other
   c. Illegal Gratuits
   d. Economic Extortion

II. Asset Misappropriation
   a. Cash
      i. Larceny of Cash on Hand, from the Deposit, Other
      ii. Fraudulent Disbursements
      iii. Billing Schemes, Ghost Employees, Commission Schemes, Workers Compensation, Falsified Wages
      iv. Payroll Schemes: Ghost Employees, Commission Schemes, Workers Compensation, Falsified Wages
      v. Expense Reimbursement: Mischaracterized Expenses, Overstated Expenses, Fictitious Expenses, Multiple Reimbursements
      vi. Check Tampering: Forged Marker, Forged Endorsement, Altered Payee, Concealed Checks, Authorized Marker
      vii. Register Disbursements: False Voids, False Refunds
      viii. Skimming
         1. Sales: Unrecorded, Understated
         2. Receivables: Write-Off Schemes, Lapping Schemes, Unconcealed
         3. Refunds and Other
   b. Inventory and All Other Assets
      i. Misuse
      ii. Larceny: Asset Requisition and Transfer, False Sales and Shipping, Purchasing and Receiving, Unconcealed Larceny

III. Fraudulent Statements
   a. Financial
      i. Asset/Revenue Overstatement: Timing Differences, Fictitious Revenues, Concealed Liabilities and Expenses, Improper Disclosure, Improper Asset Valuations
      ii. Asset/Revenue Understatements
   b. Non-Financial
      i. Employment Credentials
      ii. Internal Documents
      iii. External Documents

Source: Association of Certified Fraud Examiners, Report to the Nation on Occupational Fraud and Abuse, 1999
ITEM: 27

Florida Gulf Coast University Board of Trustees
January 14, 2020

SUBJECT: Minutes of December 13, 2019 Meeting of Audit and Compliance Committee

PROPOSED COMMITTEE ACTION

Approve minutes

BACKGROUND INFORMATION

The Audit and Compliance Committee met on December 13, 2019. Minutes of the meeting were kept as statutorily required.

Supporting Documentation Included: Minutes of December 13, 2019 Audit and Compliance Committee

Prepared by: Transcription Experts and Assistant Director of Board Operations Tiffany Jackson

Legal Review: N/A

Submitted by: Vice President and Chief of Staff Susan Evans
FLORIDA GULF COAST UNIVERSITY BOARD OF TRUSTEES

AUDIT AND COMPLIANCE COMMITTEE MEETING

Friday, December 13, 2019

EDWARDS HALL, ROOM # 309
Florida Gulf Coast University

Minutes

Members:
Present: Trustee Joseph Fogg III – Chair; Trustee Darleen Cors; and Trustee Leo Montgomery.
Not Present: Trustee Stephen Smith (Excused Absence).

Others:
Staff: President Michael Martin; Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera; Vice President and Chief of Staff Susan Evans; Vice President and General Counsel Vee Leonard; Vice President for Student Success & Enrollment Management Mitchell Cordova; Director of Equity, Ethics, and Compliance, and Title IX Coordinator Precious Gunter; Director of Internal Audit Bill Foster; Director of Operations Tiffany Reynolds; Assistant Director of Board Operations Tiffany Jackson; Project Manager Melissa Pind; and Executive Assistant to the Vice President and Chief of Staff Bruna Ugolotti

Item 1: Call to Order, Roll Call, and Opening Remarks
Chair Joseph Fogg called the meeting to order at 9 a.m. He welcomed all Committee members and said the meeting had been duly noticed. He asked Vice President and Chief of Staff Susan Evans to call the roll. Roll call was taken with three of four Committee members present, thus meeting quorum requirements. Trustee Stephen Smith was granted an excused absence.

Item 2: Consent Agenda (See Tabs #1-2)
Chair Fogg stated there were two items on the Consent Agenda; the Minutes of the September 10, 2019 Meeting and the Minutes of the September 10, 2019 Workshop. He called for a motion.

Trustee Darleen Cors made a motion to approve the Consent Agenda. Trustee Leo Montgomery seconded the motion.
Trustee Montgomery noted the September 10, 2019 meeting minutes indicated there would be an Information Technology Security Audit, hoped to be completed by the end of the year. He asked if this had been completed. Director of Internal Audit Bill Foster responded his department was in the report writing stage at present, and that the Audit would be ready for presentation at the April 2020 meeting of the FGCU Board of Trustees.

There was no public comment, or further Committee discussion. The vote was 3-0 in favor of the motion.

**Item 3: Information Items (See Tabs #3-4):**
Chair Fogg stated there were two information items. He asked Director of Internal Audit Bill Foster to present the items.

**Investigation – Bishop (Purchasing Card) (TAB #3)**
Mr. Foster stated a full report regarding Mr. Bishop was included in today’s agenda packet for review. He indicated all misspent funds were recovered, and Mr. Bishop was terminated from his FGCU employment. Mr. Foster noted that the situation occurred due to failure to follow the University’s existing policy and controls. He stated the individuals involved were reminded of the policies and procedures in order to ensure the controls would be followed in the future.

**FGCU Policy 1.004 Fraudulent or Other Dishonest Acts (TAB #4)**
Mr. Foster said the next item being presented for the Committee’s review was FGCU Policy 1.004 Fraudulent or Dishonest Acts. The policy was updated by moving items from the exhibit section of the policy to the body, and it was presented as an information item due to its subject matter.

Chair Fogg noted there was no substantive change, but rather only a reordering of current information.

**Item 4: Action Items (See Tabs #5-11)**
Chair Fogg stated there were seven actions items.

**Florida Gulf Coast University Financing Corporation Independent Auditor’s Report Fiscal Year Ended June 30, 2019 (TAB #5)**
Mr. Foster indicated this item was a request to accept the Florida Gulf Coast University Financing Corporation Independent Auditor’s Report for the Fiscal Year ended June 30, 2019. He stated the Direct Support Organization (DSO) of a state university was required to conduct an annual audit of its accounts and records by an independent certified public accountant in accordance with section 1004.285 of the Florida Statutes, and that FGCU PR1.005 required the annual reports related to FGCU Direct Support Organizations be submitted to the FGCU Board of Trustees. He said the firm of Tuscan & Company, P.A. completed the audit report of the FGCU Financing Corporation for the
He stated page 2 of the Auditor's Report was the Opinion, which indicated the financial statements fairly represented the financial position of the Financing Corporation. He explained this was known as a clean opinion and what the Financing Corporation strove to obtain. He stated pages 4 through 11 were the Management's Discussion and Analysis which described in reader-friendly terms what occurred during the last fiscal year. He explained this section pointed out major transactions and presented comparative figures from the prior year.

He noted on page 12 the Statement of Net Position (previously known as the Balance Sheet) reflected that at year end there were $220.7 million in total assets, $192.2 million in total liabilities and deferred inflows, and a net position (or residual equity) of $28.5 million. He stated page 13 was the Statement of Revenues, Expenses and Changes in Net Position (formerly known as an Income Statement), which showed for the year $19.1 million in operating revenue, $14.5 million in operating expenses, and $1.6 million in non-operating expenses, arriving at a net increase in position of $3 million. He said page 14 was the Statement of Cash Flows which showed effects to cash from the financial transactions. He noted the net effect was a $5,000 decrease in cash and cash equivalents for the year. He stated pages 15 through 29 contained Notes to the Financial Statements, which contained a significant amount of information to explain the various 79 line items in the Financial Statements. He explained that compared to Management's Discussion and Analysis, these Notes were not necessarily as reader-friendly. He stated pages 30 and 31 contained the Auditor's Report on Internal Control and Compliance, a report on internal controls related financial reporting and compliance with Government Auditing Standards. He said there were no deficiencies in internal controls noted. He stated pages 32 and 33 contained the Auditor's Report to Management, and there were no comments in the current or prior years.

Chair Fogg asked about refinancing previously discussed. Vice President for Administrative Services and Finance, and Executive Director of FGCU Financing Corporation Steve Magiera responded the refinancing was completed in November and went very well. He noted Trustee Richard Eide, Board Liaison to the Financing Corporation, would discuss the details of the refinancing at the next FGCU Board meeting in January, including the announcement of approximately $850,000 per year in present value savings.

Trustee Montgomery made a motion to accept the Florida Gulf Coast University Financing Corporation Independent Auditor's Report for the Fiscal Year ended June 30, 2019 and recommend its acceptance by the FGCU Board of Trustees. Trustee Cors seconded the motion.

There was no public comment, or further Committee discussion. The vote was 3-0 in favor of the motion.
Florida Gulf Coast University Foundation, Inc. Independent Auditor's Report

Fiscal Year Ended June 30, 2019 (TAB #6)

Mr. Foster stated this item was a request to accept the Florida Gulf Coast University Foundation, Inc. Independent Auditor's Report for Fiscal Year ended June 30, 2019 and recommend its acceptance by the FGCU Board of Trustees.

He said the firm of Cherry Bekaert, LLP completed the audit report of the Foundation for the fiscal year ended June 30, 2019. He noted the Foundation's Audit Committee accepted the audit report at its October 15, 2019 Meeting. He stated the Foundation's Executive Committee accepted the audit report at its November 20, 2019 meeting, and it was accepted by the Foundation Board of Directors at its December 4, 2019 meeting.

He stated page 1 was the Opinion, in which the auditors determined the financial statements fairly presented the financial position of the Foundation; this was known as a clean opinion. He stated pages 2 through 11 contained the Management’s Discussion and Analysis which described in reader-friendly terms what occurred during the last fiscal year, identified major transactions, and presented comparative figures from the prior year. He noted page 12, the Statement of Net Position, reflected at year end there were $134.9 million in total assets, $1.7 million in total liabilities and deferred inflows, and a net position (or residual equity) of $133.2 million. He stated page 13 was the Statement of Revenues, Expenses and Changes in Net Position, which showed for the year there were $15.3 million in operating revenue, $20.1 million in operating expenses, and $7 million in non-operating expenses (primarily $6.5 million in investment gains), and $1 million in net contributions to endowments, arriving at a $3.2 million increase in net position. He reported pages 14 and 15 contained the Statement of Cash Flows, which showed effects to cash from the financial transactions: the net effect was a $1.4 million decrease in cash and cash equivalents for the year. He noted pages 16 through 30 were the Notes to the Financial Statements; this was a significant amount of information which explained the various line items in the financial statements. He stated pages 31 through 41 contained the supplemental information including the additional required State Schedules and a breakdown of the financial statements by account site. He stated pages 42 and 43 contained the Auditor’s Report on Internal Control and Compliance, a report on internal controls which related financial reporting and compliance with Government Auditing Standards.

Chair Fogg asked the endowment amount at the end of the fiscal year period.

President Martin stated he believed this number was around $100 million. Trustee Montgomery noted the Foundation had a contingency asset of approximately $11 million related to matching programs. He explained these funds would be spent if the matching fund programs were approved by the State and the funds were matched by the State. He stated these funds would not be listed as an asset. Mr. Foster stated the State had not funded the Courtelis Matching Fund program in about ten years or longer.

Ms. Evans explained that it had been a funding and revenue issue. She said at one point the State University System’s list of unmatched requests was over $300 million. Trustee Fogg asked if the governor put this funding in the new budget and the Legislature removed it. Ms. Evans responded that the governor can recommend it, but
the Florida Legislature ultimately makes the decision on whether to fund this program.

President Martin stated that there had been a move to bond to catch up with the funding backlog, and there was resistance to this. He said recent governors had not been willing to recommend bonding. Trustee Fogg asked if it would be worth asking questions about the program. President Martin responded he thought it was a question worth asking. He said he was at the University of Florida (UF) when the Courtelis program was still active, and it was a wonderful program. President Martin described the Courtelis program as a way to leverage private money into service of the public sector. He said other states had adopted this program based on Florida’s example, and then Florida quit doing it. Ms. Evans noted that a number of FGCU’s buildings in the early years benefited from this program, and it successfully was used as an incentive for donors. She said the Courtelis program was a dollar-for-dollar match, but the prevailing view in Tallahassee is that it is pretty much a dead program at this time.

Trustee Cors asked why there was a large difference in the pledges receivable line on page 15. Trustee Fogg said it looked like there were a lot of pledges paid off. Mr. Foster said there was the $100 million campaign the prior year (2018), so the termination of that program may have incentivized people to pledge in 2018 to contribute towards the campaign instead of in 2019 when they normally would have contributed. Ms. Evans stated Foundation staff would be prepared to answer this question during the January 14, 2020 Board meeting. Chair Fogg asked for Foundation staff to be prepared to answer the endowment question as well.

Trustee Cors asked how much it cost to operate the Foundation. Trustee Montgomery responded he believed it cost approximately $2 million to operate the Foundation. President Martin stated the Foundation was partially funded by Education & General (E&G) fund dollars and partially funded by Foundation returns, which is why marketing, communications, and WGCU fall under the same umbrella.

Trustee Montgomery made a motion to accept the Florida Gulf Coast University Foundation, Inc. Independent Auditor’s Report for Fiscal Year ended June 30, 2019 and recommend its acceptance by the FGCU Board of Trustees. Trustee Cors seconded the motion.

There was no public comment, or further Committee discussion. The vote was 3-0 in favor of the motion.

**FGCU Regulation (#TBD) Complaints of Waste, Fraud, or Financial Mismanagement (TAB #7)**

Mr. Foster reported this item was to approve FGCU Regulation (#TBD) for Complaints of Waste, Fraud, or Financial Mismanagement. He stated the Board of Governors (BOG) Regulation 4.001 required each institution in the State University System of Florida to adopt a regulation to address complaints made against the President, a member of the FGCU Board of Trustees, the Chief Audit Executive, and the Chief Compliance Officer of any significant and credible allegations of waste, fraud, financial mismanagement, misconduct, or other abuses, with the regulation requiring timely
notification to the BOG through the Inspector General and Director of Compliance (OIGC).

Chair Fogg commented hopefully this Regulation would never need to be used.

Trustee Cors made a motion to approve the FGCU Regulation for Complaints of Waste, Fraud, or Financial Mismanagement. Trustee Montgomery seconded the motion.

There was no public comment, or Committee discussion. The vote was 3-0 in favor of the motion.

**FGCU Regulation 1.006 Whistle-Blower Reporting and Protection (TAB #8)**

Mr. Foster reported this item was to approve the amendments to FGCU Regulation 1.006 Whistle-Blower Reporting and Protection. He explained this regulation was amended to align with Florida Statutes to include language on whistle-blower reporting procedures; previously the regulation only included whistle-blower protection.

Vice President and General Counsel Vee Leonard stated she would like to recommend an amendment from the floor at Section E, page 3, “Retaliatory Adverse Actions Prohibited.” She stated the word “Retaliatory” should be removed in the section heading because it made it too narrow. She said the section itself talked about any adverse action. Chair Fogg asked if a separate motion was required to remove this word. Ms. Leonard responded in the negative. Chair Fogg stated the motion would approve the regulation as just amended.

Trustee Cors made a motion to approve FGCU Regulation 1.006 Whistle-Blower Reporting and Protection as amended on the document and from the floor. Trustee Montgomery seconded the motion.

There was no public comment, or further Committee discussion. The vote was 3-0 in favor of the motion.

**Audit and Compliance Committee Charter (TAB #9)**

Chair Fogg stated there had been much discussion over the past year regarding what was meant by the Charters’ phrase “reports administratively to the Audit and Compliance Committee and functionally to the President.” He stated FGCU staff sought guidance from the BOG, but to no avail; therefore, he wrote a letter to Chancellor Criser. He stated the Chancellor responded with a well-thought-out letter clarifying the language. Chair Fogg stated he believed other universities would benefit from this clarification as well. He said he had held discussions with President Martin and his staff regarding how to amend the Charters to fall in line with this guidance. He indicated the Charters had been redlined to enable the Trustees to see the changes that were made. He noted these changes flowed through all three Charters: the Audit and Compliance Committee Charter, the Office of Internal Audit Charter, and the Compliance Office Charter. He noted the substantive change (seen on page 4 of the Audit and Compliance Committee Charter) was to indicate quarterly meetings of the Audit and Compliance Committee Chair, the Director of Internal Audit, and the Director of Equity,
Ethics, and Compliance would be held. He said that he would keep the Audit and Compliance Committee informed on what was occurring in the compliance areas.

Trustee Montgomery commended Chair Fogg for his efforts in this regard. He stated, in substance, the evaluation of the internal audit process was between Chair Fogg and the President. He said major decisions made involving personnel and work quality would be jointly discussed between the two. President Martin said the Board’s role through the Audit and Compliance Committee and through the Chair was to be continually engaged in decisions regarding compliance, the credibility of audits, and a variety of other things. He stated he believed this amendment to the Charter would be beneficial. President Martin said he and Provost and Vice President for Academic Affairs Jim Llorens and discussed the proposed changes to the Charters with Dr. Belle Wheelan, the head of the Southern Association of Colleges and Schools Commission on Colleges (SACSOC), who found no fault with the amendments. President Martin said this was the University’s accrediting agency, so it was important to see there were no concerns with the changes.

Trustee Cors made a motion to approve the amended Charter of the Audit and Compliance Committee. Trustee Montgomery seconded the motion.

There was no public comment, or further Committee discussion. The vote was 3-0 in favor of the motion.

**Office of Internal Audit Charter (TAB #10)**

Chair Fogg stated the next two Charters were amended to align with the previously described amendment to the Audit and Compliance Committee Charter. He noted the changes were redlined. He called for a motion to approve the Charter of the Office of Internal Audit.

Trustee Cors made a motion to approve the amended Office of Internal Audit Charter. Trustee Montgomery seconded the motion.

There was no public comment, or Committee discussion. The vote was 3-0 in favor of the motion.

**Compliance Office Charter (TAB #11)**

Chair Fogg called for a motion to approve the Compliance Office Charter as amended.

Trustee Cors made a motion to approve the amended Compliance Office Charter. Trustee Montgomery seconded the motion.

There was no public comment, or Committee discussion. The vote was 3-0 in favor of the motion.
Item 5: Old Business

There was no old business for discussion.

Item 6: New Business

There was no new business for discussion.

Item 7: Closing Remarks and Adjournment

Chair Fogg indicated today’s agenda items would be recommended for final approval by the full Board at the January 14, 2020 meeting. He noted that he, Mr. Foster, and Ms. Gunter would hold the first quarterly meeting as provided by the Charters just approved prior to the January 14, 2020 Meeting. He stated he would report on this quarterly meeting to the Board on January 14.

Chair Fogg adjourned the meeting at 9:31 a.m.

Minutes prepared by Transcription Experts, and reviewed by Tiffany Jackson, FGCU Assistant Director of Board Operations.

Agenda Items:

A. See Tabs # 1-11

Attachment:

A. Record of Votes
Record of Votes
Audit and Compliance Committee
DATE: 12/13/2019

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Florida Gulf Coast University Board of Trustees
January 14, 2020

SUBJECT: Florida Gulf Coast University Financing Corporation
Independent Auditor’s Report Fiscal Year Ended June 30, 2019

PROPOSED BOARD ACTION

If recommended by the Audit and Compliance Committee which meets prior to this meeting, accept the Florida Gulf Coast University Financing Corporation Independent Auditor’s Report for the Fiscal Year Ended June 30, 2019.

BACKGROUND INFORMATION

Each direct support organization of a state university is required to conduct an annual audit of its accounts and records by an independent certified public accountant in accordance with Section 1004.28(5), Florida Statutes. FGCU-PR1.005 requires that annual reports related to FGCU direct support organizations be submitted to the FGCU Board of Trustees.

The firm of Tuscan & Company, P.A. has completed the audit report of the FGCU Financing Corporation for the fiscal year ended June 30, 2019. The Corporation's Board of Directors approved the audit report at its September 24, 2019 meeting.

Supporting Documentation Included: (1) Summary Memo, and (2) FGCU Financing Corporation Independent Auditor’s Report Fiscal Year Ended June 30, 2019

Prepared by: Director of Internal Audit William Foster

Legal Review: N/A

Submitted by: Audit and Compliance Committee Chair Joseph Fogg III
TO: FGCU Board of Trustees  
FROM: William Foster, Director of Internal Audit  
SUBJECT: Annual Audit, Florida Gulf Coast University Financing Corporation  
DATE: November 19, 2019

Below is a summary of the key points in the Financial Audit of the Florida Gulf Coast University Financing Corporation.

**Page 2 – Opinion** – The auditors have determined the financial statements fairly present the financial position of the Financing Corporation. This is known as a clean opinion.

**Pages 4 through 11 - Management’s Discussion and Analysis** – This is the section where Management describes in reader friendly terms what occurred during the last fiscal year. This section points out major transactions, and presents comparative figures from the prior year.

**Page 12 – Statement of Net Position** – Years ago, this statement was known as the Balance Sheet. At year end, we had $220.7 million of total assets, $192.2 million total liabilities and deferred inflows, and net position (residual equity) $28.5 million.

**Page 13 – Statement of Revenues, Expenses and Changes in Net Position** – This statement was formerly known as an Income Statement. For the year, we had $19.1 million in operating revenue, $14.5 million operating expenses, and $1.6 million non-operating expenses, arriving at a net increase in position of $3.0 million.

**Page 14 – Statement of Cash Flows** – This statement shows the effects to cash from the financial transactions. The net effect is a $5,000 decrease in cash and cash equivalents for the year.

**Pages 15 through 29 - Notes to the Financial Statements** – There is a significant amount of information that explain the various line items in the financial statements. Compared to Management’s Discussion and Analysis, these notes are not necessarily as reader friendly.

**Pages 30 and 31 – Auditor’s Report on Internal Control and Compliance** – This report on internal control relates financial reporting and compliance with Government Auditing Standards. There were no deficiencies in internal controls noted.

**Pages 32 and 33 – Auditor’s Report to Management** - There were no comments in the current or prior years.
FLORIDA GULF COAST UNIVERSITY
FINANCING CORPORATION

BASIC FINANCIAL STATEMENTS
TOGETHER WITH REPORTS OF
INDEPENDENT AUDITOR

YEAR ENDED
JUNE 30, 2019
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<th>Section</th>
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<td>1-3</td>
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<td>Management’s Discussion and Analysis</td>
<td>4-11</td>
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<td><strong>Basic Financial Statements</strong></td>
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<td>Statement of Net Position</td>
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<td>Statement of Revenues, Expenses and Changes in Net Position</td>
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<td>Statement of Cash Flows</td>
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<td>Notes to the Financial Statements</td>
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<td><strong>Additional Reports of Independent Auditor</strong></td>
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<td>Independent Auditor’s Report on Internal Control Over Financial</td>
<td>30-31</td>
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<td>Reporting and on Compliance and Other Matters Based on an Audit of Basic</td>
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<td>Independent Auditor’s Report to Management</td>
<td>32-33</td>
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<td>Management’s Response to the Independent Auditor’s Report</td>
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<td>To Management</td>
<td>Exhibit</td>
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</table>
INDEPENDENT AUDITOR’S REPORT

Board of Directors
Florida Gulf Coast University Financing Corporation
10501 FGCU Boulevard South
Fort Myers, Florida 33965-6565

Report on the Financial Statements

We have audited the accompanying basic financial statements of Florida Gulf Coast University Financing Corporation (the "Financing Corporation") (a Florida not-for-profit corporation), a direct support organization and component unit of Florida Gulf Coast University, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Financing Corporation’s basic financial statements as listed in the table of contents.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Financing Corporation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose
of expressing an opinion on the effectiveness of the Financing Corporation's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Florida Gulf Coast University Financing Corporation as of June 30, 2019, and the changes in its net position and its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information - Management's Discussion and Analysis on pages 4-11 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the required supplementary information – Management’s Discussion and Analysis because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Financing Corporation’s basic financial statements. The Exhibit – Management’s Response to the Independent Auditor’s Report to Management is not a required part of the basic financial statements but is required by Government Auditing Standards. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.
Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued a report dated August 3, 2019 on our consideration of the Financing Corporation’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grants and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards, in considering Florida Gulf Coast University’s Financing Corporation’s internal control over financial reporting and compliance.

TUSCAN & COMPANY, PA
Fort Myers, Florida
August 3, 2019
Overview of the Financial Statements and Financial Analysis
This section of the Florida Gulf Coast University Financing Corporation (Financing Corporation) annual financial report presents a discussion and analysis of the financial performance of the Financing Corporation during the fiscal year ended June 30, 2019, with 2017-18 fiscal year data presented for comparative purposes. The emphasis of discussions about these statements will be on current year activities, resulting change and currently known facts. This discussion should be read in conjunction with the financial statements and related notes. Responsibility for the completeness and fairness of this information rests with the Financing Corporation’s management.

This annual report consists of a series of financial statements, prepared in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 34, “Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments” and GASB Statement No. 35, “Basic Financial Statements and Management’s Discussion and Analysis for Public Colleges and Universities,” as amended by GASB Statements No. 37 and 38. The Financing Corporation is considered a Business Type Activity (BTA) under the provision and reporting model of GASB Statements No. 34 and No. 35.

Financial Highlights
The Financing Corporation did not issue additional Capital Improvement Bonds or amend any outstanding bonds or loans payable during the fiscal year ended June 30, 2019. The Financing Corporation has no immediate plans to issue additional Capital Improvement Revenue Bonds to construct additional student residence facilities, parking garages or other facilities.

During the year ended June 30, 2019, the Financing Corporation issued an Invitation to Negotiate for a Replacement Direct Pay Letter of Credit on its variable rate bonds, Series 2008A (Housing) and Series 2009A (Parking). The existing Letter of Credit expires October 1, 2019. As of June 30, 2019, the replacement process was ongoing.

Construction continued on the Student and Community Counseling Center Project, which includes an approximately 27,000 square foot facility that will provide low cost mental and behavioral healthcare to students and the community. As of June 30, 2019, the Financing Corporation had invested $5.1 million in the Student and Community Counseling Center Project with an expected completion in the fall of 2019.

The Housing System
The Housing system is managed and operated by the University’s Office of Housing and Residence Life. The North Lake Village Student Residence facilities (Phase I-VII) are comprised of apartment style buildings (two or four bedroom, single or double occupancy). Each unit contains full kitchen facilities including dishwasher, microwave oven, regular oven, full size refrigerator, and living room, lavatory and bath facilities. The South Village Student Residence (Phase VIII-X and XII) are facilities located in the southern portion of the University’s student housing area. These facilities are comprised of suite style units, each containing lavatories, bath facilities, entry, and bedroom areas. The overall buildings contain kitchen and laundry facilities. The West Lake Village Student Residence (Phase XI) facilities located approximately one mile northwest of Florida Gulf Coast University include development of multiple future phases of student housing. These facilities are comprised of six three story apartment style buildings (three or four bedrooms single occupancy), a single story combination administrative office and clubhouse building with a swimming pool. Each unit contains full kitchen facilities including dishwasher, microwave oven, regular oven, full size refrigerator and living room, private lavatory and bath facilities.

The Housing system consists of the following facilities:

- A 256-bed apartment style student residential facility (Phase I – opened 1998)
- A 288-bed apartment style student residential facility (Phase II – opened 2000)
- A 288-bed apartment style student residential facility (Phase III – opened 2001)
- A 288-bed apartment style student residential facility (Phase IV – opened 2002)
- A 288-bed apartment style student residential facility (Phase V – opened 2003)
- A 288-bed apartment style student residential facility (Phase VI – opened 2004)
- A 288-bed apartment style student residential facility (Phase VII – opened 2005)
- A 407-bed suite style student residential facility (Phase VIII – opened Fall 2008)
- A 407-bed suite style student residential facility (Phase IX – opened Fall 2009)
- A 417-bed suite style student residential facility (Phase X – opened Fall 2011)
- A 504-bed apartment style student residential facility (Phase XI – opened Fall 2010)
- A 534-bed suite style student residential facility (Phase XII – opened Fall 2012)
- A 535-bed suite style student residential facility (Phase XIII – opened Fall 2014)

In addition to the internal apartment arrangements, the overall Housing system has a volleyball court, three swimming pools and access to canoeing, kayaking, sailing, fishing, and water skiing on the adjacent 60 acre lake. As of June 30, 2019, a new Recreation and Wellness Center located near the South Village Student Residence was under construction and scheduled to be completed in the spring of 2020.

The Parking System
The Parking facilities are managed and operated by the University’s Office of Parking Services. The Parking system consists of parking facilities comprising of parking lots 1-3 and 5-7 in the University’s core campus, five multi-level, covered parking garages, athletic complex parking, and student residence parking. The Parking system currently provides facilities that will accommodate 8,849 vehicles. Included in the total number of parking spaces is student residence parking with 2,443 spaces, the athletic complex parking with 430 parking spaces and five parking garages (I – IV and South Village) with a total of 4,313 spaces. Currently, the parking facilities are comprised entirely of surface parking with the exception of the five covered parking garages. University staff must purchase a regular annual parking decal or optionally purchase a reserved annual parking space decal before the beginning of the fall term in August of each year. These decals can be purchased for cash or payroll deduction over either one, five, or ten bi-weekly pay periods. Students are charged a parking fee and a transportation fee based upon number of enrolled credit hours each term.

The Parking system consists of the following facilities:
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<td>2002</td>
<td>2,982</td>
</tr>
<tr>
<td>2003</td>
<td>3,277</td>
</tr>
<tr>
<td>2003</td>
<td>3,348</td>
</tr>
<tr>
<td>2004</td>
<td>3,510</td>
</tr>
<tr>
<td>2005</td>
<td>3,806</td>
</tr>
<tr>
<td>2007</td>
<td>4,484</td>
</tr>
<tr>
<td>2008</td>
<td>4,764</td>
</tr>
<tr>
<td>2008</td>
<td>5,664</td>
</tr>
<tr>
<td>2009</td>
<td>6,449</td>
</tr>
<tr>
<td>2010</td>
<td>6,899</td>
</tr>
<tr>
<td>2011</td>
<td>8,099</td>
</tr>
<tr>
<td>2012</td>
<td>8,849</td>
</tr>
</tbody>
</table>

**Overview of Financial Statements**

Pursuant to GASB Statement No. 35, the Financing Corporation’s financial report includes three basic financial statements: the Statement of Net Position; the Statement of Revenues, Expenses, and Changes in Net Position; and the Statement of Cash Flows.

**Statement of Net Position**

The Statement of Net Position reflects the assets (current and noncurrent) and liabilities (current and noncurrent) of the Financing Corporation, using the accrual basis of accounting, and presents the financial position of the Financing Corporation at a specified time. The difference between total assets and total liabilities, or net position, is one indicator of the Financing Corporation’s current financial condition. The changes in net position that occur over time indicate improvement or deterioration in the Financing Corporation’s financial condition.
Condensed Summary of Net Position
As of June 30, 2019
(in thousands of dollars)

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
<th>Increase (Decrease)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Assets</td>
<td>$22,638</td>
<td>$23,006</td>
<td>$(368)</td>
<td>-1.6%</td>
</tr>
<tr>
<td>Noncurrent Assets</td>
<td>198,017</td>
<td>199,713</td>
<td>$(1,696)</td>
<td>-0.8%</td>
</tr>
<tr>
<td>Total Assets</td>
<td>220,655</td>
<td>222,719</td>
<td>$(2,064)</td>
<td>-0.9%</td>
</tr>
</tbody>
</table>

| **Liabilities:**     |            |            |                     |         |
| Current Liabilities  | 11,446     | 9,488      | 1,958               | 20.6%   |
| Noncurrent Liabilities | 180,321   | 187,360    | (7,039)             | -3.8%   |
| Total Liabilities    | 191,767    | 196,848    | (5,081)             | -2.6%   |

| Deferred Inflows     | 429        | 454        | (25)                | -5.5%   |

| **Net Position:**    |            |            |                     |         |
| Restricted           | 12,194     | 12,163     | 31                  | 0.3%    |
| Unrestricted         | 16,265     | 13,254     | 3,011               | 22.7%   |
| Total Net Position   | $28,459    | $25,417    | $3,042              | 12.0%   |

The decrease in total assets of the Financing Corporation is $2.1 million, or 0.9%. The decrease is mainly the result of the amortization of Investment in Direct Financing Lease from the University in the amount of $6.8 million and a decrease in investments of $0.4 million. These amounts were offset with an increase in Construction in Progress of $5.1 million as a result of the continuation of the Student and Community Counseling Center Project that began during the summer of 2018.

The decrease in total liabilities of $5.1 million, or 2.6%, is primarily the result of principal bond and loan payments and amortization of bond premiums and discounts in the amount of $6.8 million, a decrease in interest expense payables of $0.1 million, and a decrease in housing improvement project payables of $0.3 million. These amounts were offset with an increase in construction payables of $2.1 million.

Deferred inflows of $0.4 million is the gain on the bond refunding during the 2017-18 fiscal year, and will be amortized on a straight-line basis over the term of the related debt. The decrease in Deferred Inflows is the FY19 amortized amount.

The Financing Corporation’s financial position, as a whole, increased during the fiscal year ended June 30, 2019 in the amount of $3.0 million, or 12.0%, percent, over the net position balance at June 30, 2018. The Financing Corporation continues to experience sound financial condition and health.


**Statement of Revenues, Expenses and Changes in Net Position**

Changes in total net position, as presented on the Statement of Net Position, are based on the activity presented in the Statement of Revenues, Expenses and Changes in Net Position. The purpose of the
Statement is to show the operating and non-operating revenues received by the Financing Corporation, the operating and non-operating expenses paid by the Financing Corporation and any other revenues, expenses, gains and losses received or spent by the Financing Corporation. Revenues and expenses are recognized when earned or incurred, regardless of when cash is received or paid.

Operating revenues represent rental income received from the University, and operating expenses primarily represent expenses paid for debt service on outstanding bonds payable. In contrast, non-operating revenues and expenditures are for goods and services not provided by the Financing Corporation. An example of non-operating revenues would be investment income and transfers in/from the University.

### Condensed Summary of Revenues, Expenses, and Change in Net Position

**Year Ended June 30, 2019**  
(in thousands of dollars)

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
<th>(Decrease)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenues</td>
<td>$19,102</td>
<td>$18,622</td>
<td>$ 480</td>
<td>2.6%</td>
</tr>
<tr>
<td>Less: Operating Expenses</td>
<td>14,518</td>
<td>14,458</td>
<td>60</td>
<td>0.4%</td>
</tr>
<tr>
<td>Less: Net Non-Operating Expenses</td>
<td>1,542</td>
<td>3,928</td>
<td>(2,386)</td>
<td>-60.7%</td>
</tr>
<tr>
<td>Change in Net Position</td>
<td>3,042</td>
<td>236</td>
<td>2,806</td>
<td>1189.0%</td>
</tr>
<tr>
<td>Net Position, Beginning of Year</td>
<td>25,417</td>
<td>25,181</td>
<td>236</td>
<td>0.9%</td>
</tr>
<tr>
<td>Net Position, End of Year</td>
<td>$28,459</td>
<td>$25,417</td>
<td>$ 3,042</td>
<td>12.0%</td>
</tr>
</tbody>
</table>

Total operating revenues for the 2018-19 fiscal year increased $0.5 million over the 2017-18 fiscal year. This increase was mainly due to an increase in Housing residence occupancy.

Total operating expenses for the 2018-19 fiscal year increased slightly from the 2017-18 fiscal year. Operating expenses of $14.5 million were comprised of $7.5 million, or 51.7% percent, for debt service (interest expense) and bond premium and discount amortizations; $6.8 million, or 46.9% percent, for direct financing lease amortization; and $0.2 million or 1.4%, for administrative expenses.

Net Non-Operating Expenses decreased $2.4 million from the 2017-18 fiscal year. Of this decrease, $2.0 million occurred in capital transfers to the University, resulting from the North Lake Village transfer in the 2017-18 fiscal year and $0.4 million occurred from non-recurring costs of issuing the Capital Improvement Refunding Bonds Series 2017A and Series 2017B during the 2017-18 fiscal year. An additional decrease of $0.4 million occurred in Housing and Parking Capital Improvement expenses due to the change in project costs scheduled between fiscal years. The decreases were offset with an increase of $0.3 million in investment income and an increase of $0.1 million from a contribution of funds from the Florida Gulf Coast University Foundation towards the construction of the Student and Community Counseling Center.

### Statement of Cash Flows

The Statement of Cash Flows provides information about the Financing Corporation’s financial results by reporting the major sources and uses of cash and cash equivalents. This Statement will assist in evaluating the Financing Corporation’s ability to generate net cash flows, its ability to meet its financial obligations as they come due, and its need for external financing.
Cash flows from operating activities show the net cash provided by the operating activities of the Financing Corporation. The major sources of funds included in operating activities are student residences and parking facilities net rental income received from the University less interest paid on debt.

Cash flows from non-capital financing activities show the net cash provided to and from the University.

The largest outflow of cash in the capital and related financing activities represent annual debt service principal bond payments on the outstanding bonds and loans payable. Cash flows from the capital financing activities include all plant funds and related long-term debt activities.

Cash flows from the investing activities show the net source and use of cash as related to purchasing or selling investments and earning income on those investments.

**Debt Administration**

**Investment in Direct Financing Lease**

Investment in the direct financing lease in the amount of $180.7 million recognizes a capital lease between the Financing Corporation and the University for land leased from the University. The University leased back the land from the Financing Corporation to manage and operate Student Residences and Parking Garages. The condition of student residences and parking facilities is good with the oldest residential building placed in service in 1998 and first parking garage placed in service in 2007.

**Construction in Progress**

During fiscal year 2018-19, the Financing Corporation continued construction on a Student and Community Counseling Center that will provide low cost mental and behavioral healthcare to students and the community. As of June 30, 2019 the Financing Corporation had $5.1 million as construction in progress for this project.

**Factors Impacting Future Periods**

The Financing Corporation is not aware of any currently known facts, decisions, or conditions expected to have a significant effect on the financial position of operations during the year ending June 30, 2020. The Financing Corporation’s financial outlook for the future continues to be positive. The level of variable rate (12.0%) versus fixed rate (88.0%) debt is one of the key factors influencing the Financing Corporation activities. Fixed and variable interest rates have been historically low and are expected to remain relatively stable in the short term. Given current market conditions, the Financing Corporation is contemplating a current refunding of Housing Capital Improvement Revenue Bonds, Series 2010A and Series 2010B. The refunding has a tentative expected execution date of fall 2019, contingent upon market conditions and projected debt savings.

Another significant factor affecting the Financing Corporation’s economic position relates to its ability to recruit and retain high quality students to live in the student residence facilities. Outlined below are the student residence facilities fall occupancy statistics.
<table>
<thead>
<tr>
<th>Enrolled Fiscal Year</th>
<th>Enrolled Students</th>
<th>Housing Capacity</th>
<th>Living in Housing*</th>
<th>Occupancy</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009-10</td>
<td>11,105</td>
<td>2,798</td>
<td>2,812</td>
<td>100.50%</td>
</tr>
<tr>
<td>2010-11</td>
<td>12,038</td>
<td>2,798</td>
<td>2,827</td>
<td>101.04%</td>
</tr>
<tr>
<td>2011-12</td>
<td>12,655</td>
<td>3,719</td>
<td>3,720</td>
<td>100.03%</td>
</tr>
<tr>
<td>2012-13</td>
<td>13,442</td>
<td>4,253</td>
<td>4,245</td>
<td>99.81%</td>
</tr>
<tr>
<td>2013-14</td>
<td>14,074</td>
<td>4,253</td>
<td>4,282</td>
<td>100.68%</td>
</tr>
<tr>
<td>2014-15</td>
<td>14,463</td>
<td>4,788</td>
<td>4,798</td>
<td>100.21%</td>
</tr>
<tr>
<td>2015-16</td>
<td>14,824</td>
<td>4,788</td>
<td>4,818</td>
<td>100.63%</td>
</tr>
<tr>
<td>2016-17</td>
<td>14,821</td>
<td>4,788</td>
<td>4,734</td>
<td>98.87%</td>
</tr>
<tr>
<td>2017-18</td>
<td>14,943</td>
<td>4,788</td>
<td>4,672</td>
<td>97.58%</td>
</tr>
<tr>
<td>2018-19</td>
<td>15,046</td>
<td>4,788</td>
<td>4,794</td>
<td>100.13%</td>
</tr>
</tbody>
</table>

* Includes Staff and Other

The following table lists the residences available to students and the related historical and projected average rental rates on a per student, per semester, basis for each academic year. Rental rates are set each academic year in accordance with guidelines established by the Financing Corporation Board of Directors and the University Board of Trustees.

<table>
<thead>
<tr>
<th></th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Lake Village</td>
<td>$2,890</td>
<td>$2,890</td>
<td>$2,890</td>
<td>$2,890</td>
<td>$2,890</td>
<td>$2,890</td>
</tr>
<tr>
<td>West Lake Village</td>
<td>2,741</td>
<td>2,741</td>
<td>2,741</td>
<td>2,741</td>
<td>2,741</td>
<td>2,741</td>
</tr>
<tr>
<td>West Lake Village - 12 month agreement</td>
<td>7,200</td>
<td>7,200</td>
<td>7,200</td>
<td>7,200</td>
<td>7,200</td>
<td>7,200</td>
</tr>
</tbody>
</table>

Another significant factor in the Financing Corporation’s economic position relates to its ability to provide adequate parking facilities. The University estimates that demand for parking will increase by 1% yearly. Demand for visitor parking is also expected to increase by 1% per year. Limited future surface parking will be available as the University’s core campus matures. Outlined below is the parking decal statistics for the Parking Facilities.
The following table lists the types of parking charges for parking facilities available to students and staff and the related historical rates on a per student/staff, per term/year, basis for each fiscal year.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Decal Fee</td>
<td>$107</td>
<td>$115</td>
<td>$115</td>
<td>$118</td>
<td>$118</td>
<td>$118</td>
<td>$118</td>
<td>$118</td>
<td>$118</td>
<td>$118</td>
</tr>
<tr>
<td>Term Decal Fee</td>
<td>$ 43</td>
<td>$ 58</td>
<td>$ 58</td>
<td>$ 60</td>
<td>$ 60</td>
<td>$ 60</td>
<td>$ 60</td>
<td>$ 60</td>
<td>$ 60</td>
<td>$ 60</td>
</tr>
<tr>
<td>Reserved Annual Decal Fee</td>
<td>$482</td>
<td>$525</td>
<td>$525</td>
<td>$535</td>
<td>$535</td>
<td>$535</td>
<td>$535</td>
<td>$535</td>
<td>$535</td>
<td>$535</td>
</tr>
<tr>
<td>Parking Decal Hourly Fee*</td>
<td>$ 2.75</td>
<td>$ 2.75</td>
<td>$ 2.75</td>
<td>$ 2.75</td>
<td>$ 2.75</td>
<td>$ 2.75</td>
<td>$ 2.75</td>
<td>$ 2.75</td>
<td>$ 2.75</td>
<td>$ 2.75</td>
</tr>
<tr>
<td>Transportation Hourly Fee**</td>
<td>$ 5.25</td>
<td>$ 5.75</td>
<td>$ 5.75</td>
<td>$ 5.95</td>
<td>$ 5.95</td>
<td>$ 5.95</td>
<td>$ 5.95</td>
<td>$ 5.95</td>
<td>$ 5.95</td>
<td>$ 5.95</td>
</tr>
</tbody>
</table>

* Parking Decal Hourly Fee paid by students on a per credit hour basis and includes sales tax.
** Transportation Decal Hourly Fee paid by students on a per credit hour basis.

The Financing Corporation Board of Directors approved funding for up to $8 million to construct a Student and Community Counseling Center to be repaid by the University. The Financing Corporation has outstanding contracts, commitments, or contingencies for the Student and Community Counseling Center in the amount of $2.9 million as of June 30, 2019.

Commitments and Contingencies
The Financing Corporation Board of Directors approved funding for up to $8 million to construct a Student and Community Counseling Center to be repaid by the University. The Financing Corporation has outstanding contracts, commitments, or contingencies for the Student and Community Counseling Center in the amount of $2.9 million as of June 30, 2019.
### ASSETS

**Current Assets:**
- Cash and Cash Equivalents: $50,000
- Investment with State Treasury: $22,504,251
- Interest Receivable (includes $21,635 restricted): $84,097
  
**Total Current Assets:** $22,638,348

**Noncurrent Assets:**
- Cash and Cash Equivalents: $385,873
- Investment in Direct Financing Lease: $180,725,612
- Investment with State Treasury: $4,000,000
- Investment with State Treasury - Debt Reserve: $7,786,094
- Construction in Progress: $5,119,642
  
**Total Noncurrent Assets:** $198,017,221

**Total Assets:** $220,655,569

### LIABILITIES

**Current Liabilities:**
- Interest Payable: $3,102,324
- Due to University: $152,134
- Construction Contract Payable: $1,716,577
- Retainage Payable: $380,537
- Loans Payable - Current Portion: $400,000
- Bonds Payable - Current Portion: $5,695,000
  
**Total Current Liabilities:** $11,446,572

**Noncurrent Liabilities:**
- Loans Payable: $9,200,000
- Bonds Payable, Net: $171,120,918
  
**Total Noncurrent Liabilities:** $180,320,918

**Total Liabilities:** $191,767,490

### DEFERRED INFLOWS OF RESOURCES

- Deferred Gain on Debt Refunding, Net: $429,365

### NET POSITION

- Restricted: $12,193,602
- Unrestricted: $16,265,112
  
**Total Net Position:** $28,458,714
## REVENUES

Operating Revenues:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Rental Income Received from University</td>
<td>$19,101,648</td>
</tr>
<tr>
<td><strong>Total Operating Revenues</strong></td>
<td><strong>$19,101,648</strong></td>
</tr>
</tbody>
</table>

## EXPENSES

Operating Expenses:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt Service</td>
<td>7,909,746</td>
</tr>
<tr>
<td>Financing Lease Amortization</td>
<td>6,819,140</td>
</tr>
<tr>
<td>Bond Premium Amortization, Net</td>
<td>(394,254)</td>
</tr>
<tr>
<td>Contractual Expenses</td>
<td>21,350</td>
</tr>
<tr>
<td>Insurance</td>
<td>161,454</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>461</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td><strong>$14,517,897</strong></td>
</tr>
</tbody>
</table>

**Operating Income**

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>4,583,751</td>
</tr>
</tbody>
</table>

## NON-OPERATING REVENUES (EXPENSES)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment Income</td>
<td>738,786</td>
</tr>
<tr>
<td>Other Nonoperating Revenues</td>
<td>137,000</td>
</tr>
<tr>
<td>Bond Refunding Cost of Issuance</td>
<td>(3,271)</td>
</tr>
<tr>
<td>Transfer Out to University</td>
<td>(2,414,228)</td>
</tr>
<tr>
<td><strong>Total Net Non-Operating Expenses</strong></td>
<td><strong>(1,541,713)</strong></td>
</tr>
</tbody>
</table>

**Increase in Net Position**

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>3,042,038</td>
</tr>
</tbody>
</table>

**Net Position, June 30, 2018**

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>25,416,676</td>
</tr>
</tbody>
</table>

**Net Position, June 30, 2019**

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$28,458,714</strong></td>
</tr>
</tbody>
</table>

---

For the Fiscal Year Ended June 30, 2019
CASH FLOWS FROM OPERATING ACTIVITIES
    Net Rental Income - Received from University $19,101,648
    Interest Paid on Debt (8,009,111)
    Payments to Suppliers of Goods and Services (183,265)
Net Cash Provided by Operating Activities $10,909,272

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES
    Transfer out to University (2,670,216)
Net Cash Used in Non-Capital Financing Activities (2,670,216)

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES
    Proceeds from Foundation 137,000
    Bond/Loan Principal Payments (6,435,000)
    Bond Refunding Cost of Issuance (3,271)
    Capital Expenditures (3,022,528)
Net Cash Used in Capital and Related Financing Activities (9,323,799)

CASH FLOWS FROM INVESTING ACTIVITIES
    Cash from Investments, Net 379,250
    Interest Earned 700,700
Net Cash Provided by Investing Activities 1,079,950

Net Decrease in Cash and Cash Equivalents (4,793)
Cash and Cash Equivalents, Beginning of Year 440,666
Cash and Cash Equivalents, End of Year $435,873

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Operating Income $4,583,751
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:
    Amortization of Bond Premium/Discount, Net (394,254)
    Amortization of Direct Financing Lease 6,819,140
    Amortization of Bond Gain on Refunding (14,634)
    Decrease in Interest Payable (84,731)

NET CASH PROVIDED BY OPERATING ACTIVITIES $10,909,272
1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF ORGANIZATION
On April 10, 2003, the Florida Gulf Coast University Board of Trustees approved the creation of the Florida Gulf Coast University Financing Corporation (Financing Corporation) as a direct support organization (Auditor General Rule 10.700) and component unit of the Florida Gulf Coast University (University). The Financing Corporation was incorporated on April 11, 2003, as a Florida not-for-profit corporation under the provisions of Chapter 617, as a direct support organization of the University as defined by Florida Statutes Chapter 1004.28. Operations of the Financing Corporation began July 1, 2003. The Financing Corporation was established to receive, hold, invest, and administer property and to make expenditures to or for the exclusive benefit of (i) the University or (ii) a research and development park or research and development authority affiliated with the University and organized under Part V of Chapter 159 of Florida Statutes. Operating revenues and expenses generally include only fiscal transactions directly related to these activities. Included in non-operating revenues is investment income. The Financing Corporation also has the authority to issue bonds and other forms of indebtedness upon the approval of the University’s Board of Trustees, as well as to enter into agreements to finance, design, construct, lease, purchase, and/or operate facilities necessary and desirable to serve the needs of the University.

Specifically, the operations of the Financing Corporation consist of contracting for the design and construction of student residential housing, parking facilities, and certain other projects as well as the issuance of bonded debt to finance construction when appropriate. As such, the Financing Corporation supervises and accounts for the respective construction. Once the construction is completed, the Financing Corporation transfers the completed building and/or facility to the University to operate in return for a direct financing lease (Master Operating Lease). Accordingly, the University operates and leases the respective facility from the Financing Corporation in an amount equal to the net rental proceeds (net operating revenues of the defined facilities). The net operating revenues paid to the Financing Corporation shall be not less than the annual debt service and related costs as defined by the Master Operating Lease. These net rental proceeds are then used to fund the outstanding debt.

The governing body of the Financing Corporation is its Board of Directors (Board). The Board is composed of at least five (5) voting Directors. The Financing Corporation is managed, supervised and controlled by its Board, subject to applicable law and the powers and duties reserved to the Florida Gulf Coast University Board of Trustees and the President of Florida Gulf Coast University.

REPORTING ENTITY
Based on the application of the criteria described in the Governmental Accounting Standards Board (GASB) Codification of Governmental Accounting and Financial Reporting Standards, Section 2100 and 2600 for determining component units, the Financing Corporation is included within the financial statements of the University as a blended component unit entity for the fiscal year ended June 30, 2019. After an annual audit of the Financing Corporation’s financial statements is conducted by an independent certified public accountant and accepted by the Board, the annual report is submitted to the State of Florida Auditor General and the Florida Gulf Coast University Board of Trustees for review. The financial statements for the fiscal year ended June 30, 2019, are blended in the financial statements of the University. Through the application of these standards, no entities were required to be or are reported as component units of the Financing Corporation.
BASIS OF PRESENTATION


GASB Statements No. 34 and No. 35 established standards for external financial reporting which includes a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows using the direct method. GASB Statements No. 34 and 35 also include a requirement that management provide a discussion and analysis of the basic financial statements and it requires the classification of net position into three components – net investment in capital assets, restricted, and unrestricted. These classifications are defined as follows:

- Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any debt that is attributable to those assets. At June 30, 2019, the Financing Corporation had no net investments in capital assets.

- Restricted – consists of assets that have constraints placed upon their uses through external constraints imposed by donors, creditors (such as through debt covenants), or through laws, regulations or constraints imposed by law through constitutional provisions or enabling legislation, reduced by any liabilities to be paid from these assets. As of June 30, 2019, restricted net position is comprised of cash reserves that are required by applicable debt covenants.

- Unrestricted – consists of net assets that do not meet the definition of “restricted” or “net investment in capital assets.”

The Financing Corporation also adheres to the recommendations of the National Association of College and University Business Officers (NACUBO). NACUBO’s recommendations are prepared in accordance with generally accepted accounting principles promulgated by the Financial Accounting Standards Board (FASB) and the GASB. The Financing Corporation reporting model under GASB Statement No. 35 is considered a special-purpose government entity engaged only in business-type activities (BTA).

GASB Statements No. 34 and 35 provide that a special-purpose government entity engaged only in business-type activities is to present entity-wide reporting including the following:

- Management’s Discussion and Analysis (MD&A)
- Proprietary (enterprise) fund financial statements:
  1) Statement of Net Position
  2) Statement of Revenues, Expenses, and Changes in Net Position
  3) Statement of Cash Flows
- Notes to the financial statements

No budget versus actual statement is presented, as the Financing Corporation is not required to adopt a legal budget.
BASIS OF ACCOUNTING
Basis of accounting refers to when the effect of transactions or events should be recognized for financial reporting purposes. It relates to the timing of the measurements made, regardless of the measurement focus applied. The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position of the Financing Corporation are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

The Statement of Net Position is presented in a classified format to distinguish between current and long-term assets and liabilities. The Statement of Revenues, Expenses, and Changes in Net Position is presented by major sources. The Statement of Cash Flows is presented using the direct method and complies with GASB Statement No. 9 “Reporting Cash Flow for Proprietary and Non-expendable Trust Funds.” The Financing Corporation follows GASB Statement No. 62, which incorporates FASB Statements and interpretations, unless those pronouncements conflict with GASB pronouncements.

RESTRICTED ASSETS
Restricted assets are cash reserves required by the applicable debt covenants, and unspent bond proceeds. When both restricted and unrestricted resources are available for use, it is the Financing Corporation’s policy to apply first to the restricted resources followed by the use of the unrestricted resources.

CASH, CASH EQUIVALENTS, AND INVESTMENTS
The Financing Corporation invests its cash, cash equivalents, and investments in qualified public deposits and/or the Special Purpose Investment Account (SPIA) per Florida Statute 215.47. Cash and cash equivalents include operating cash account balances as well as unspent bond proceeds. Investments are reported at book value, which is fair value. Realized and unrealized gains and losses are reflected in the Statement of Revenue, Expenses and Changes in Net Position. Cash and cash equivalents that are externally restricted to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital or other restricted assets, are classified as restricted.

DIRECT FINANCING LEASE
Direct Financing Lease (Master Operating Lease) is recorded by the Financing Corporation at the capitalized amount of the previously completed Student Residences and Parking Facilities, which approximates the net present value of the Master Operating Lease.

CAPITAL ASSETS
Capital assets are capitalized at cost or at fair market value at the time of contribution. The Financing Corporation has a capitalization threshold of $5,000 for all movable equipment items and a $100,000 threshold for building renovations and improvements. Depreciation is computed utilizing the straight-line method over the estimated useful lives of the respective assets ranging from five (5) to fifty (50) years. Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of those assets. All capital assets are intended to be transferred to the University when placed in service and therefore, not depreciated.

BOND PREMIUMS AND DISCOUNTS
Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount. The Financing Corporation’s policy is to begin amortization in the first full year of the bond’s term.
DEFERRED INFLOWS OF RESOURCES
The unrestricted net position balance includes the effect of recognizing a deferred inflow of resources resulting from the gain on refunding of debt of $468,550 during the fiscal year ended June 30, 2018. The balance has been recognized as an expense beginning in fiscal year ended June 30, 2018 when the debt was extinguished and will further increase unrestricted net position over a 20 year repayment period of the new debt.

CASH FLOWS
The Financing Corporation considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents, as well as its operating cash account balances and unspent bond proceeds. The Statement of Cash Flows is presented using the direct method and is in compliance with GASB Statement No. 9, Reporting Cash Flow for Proprietary and Non-expendable Trust Funds.

INCOME TAXES
The Financing Corporation is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and is organized exclusively for scientific, educational, and charitable purposes. The Financing Corporation is not classified as a private foundation within the meaning of Section 509(a) of the Code but is a Corporation described under Section 509(a)(3).

The Internal Revenue Code provides for taxation of unrelated business income under certain circumstances. The Financing Corporation reports no unrelated business taxable income; however, such status is subject to final determination upon examination of the related tax returns by the appropriate taxing authorities. The informational returns (Form 990) for the prior three (3) fiscal years are open and subject to possible examination.

The Financial Accounting Standards Board has issued guidance on accounting for uncertainty in income taxes and the Financing Corporation has adopted this guidance. The Financing Corporation has evaluated its tax positions and any estimates utilized in its tax returns, and concluded that it has taken no uncertain tax positions that require adjustments to the financial statements to comply with the provisions of this guidance. Interest and penalties associated with uncertain tax positions will be recognized in income tax expense, if required.

CONCENTRATION OF CREDIT
Throughout the year, the Financing Corporation had cash balances on deposit with financial institutions in excess of FDIC insurance limits of $250,000. Such amounts in excess of FDIC limits are not insured. Investments are fully collateralized but not insured. Management does not believe the Financing Corporation is exposed to undue credit risk. The Financing Corporation has incurred no losses due to exposure to credit risk.

USE OF ESTIMATES
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

SUBSEQUENT EVENTS
Subsequent events have been evaluated through August 3, 2019, which is the date the financial statements were available to be issued.
2. CASH and CASH EQUIVALENTS
The amounts reported as cash and cash equivalents consist of unrestricted and restricted cash in demand accounts. Cash in demand accounts is held in banks qualified in accordance with the provisions of Chapter 280, Florida Statutes as a public depository. Deposits are fully collateralized by a mutual collateral pool as provided by Florida Statutes Chapter 280 but are not insured in excess of the $250,000 FDIC limits. Cash and cash equivalents that are externally restricted to make debt service payments, maintain sinking or reserve funds, and to purchase or construct capital or other restricted assets are classified as restricted.

The Financing Corporation reported restricted cash equivalents totaling $385,873 at June 30, 2019. Of this balance $385,703 is held by the lender and owner of the 2005B Loan as a debt service reserve requirement. According to the First Amendment to the Loan Agreement dated as of March 1, 2015 and the Amended and Restated Trust Indenture dated as of July 1, 2013, the Financing Corporation deposited a contribution equal to the 2005B maximum debt service requirement in the amount of $370,470. Subsequently, as a result of the corporate tax rate change effective January 1, 2018, the minimum reserve requirement for the 2005B Bonds increased. Therefore, during the year ending June 30, 2019, the Financing Corporation made a required deposit to bring the account up to the new minimum required balance of $385,648. The required debt service reserve amount, including interest, is required to be disclosed as Restricted Cash and Net Position.

At June 30, 2019, the total carrying amount of the Financing Corporation's deposits were $435,873 and the bank balances totaled $458,185. Of the bank balances, $322,475 was insured by Federal Depository Insurance with the remainder of $135,710 collateralized under the Florida Public Deposits Program.

3. INVESTMENTS
As of June 30, 2019, the Financing Corporation had the following external investment pools:

<table>
<thead>
<tr>
<th>Investment</th>
<th>Book Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Treasury Pool Investments</td>
<td>$34,290,345</td>
</tr>
</tbody>
</table>

The Financing Corporation reported investments at book value, which is fair value, totaling $34,290,345 at June 30, 2019, in the State Treasury Special Purpose Investment Account (SPIA) investment pool, representing ownership of a share of the pool, not the underlying securities. These investment pools operate under investment guidelines established in Section 215.47, Florida Statutes. The State Treasury has taken the position that participants in the pool should disclose information related to interest risk, credit risk and fair value factor. The SPIA carried a credit rating of AA-f by Standard and Poor's and had an effective duration of 2.71 years at June 30, 2019. SPIA is not exposed to foreign currency risk. The Pool’s unaudited fair value factor is 1.0103. The Financing Corporation relies on policies developed by the State Treasury for managing interest rate or credit risk for this investment pool. Disclosures for the State Treasury investment pool are included in the notes to the financial statements of the State's Comprehensive Annual Financial Report. In accordance with GASB Statement No. 40, the investments held by the Financing Corporation are not risk categorized as the investments are managed through the State Treasury in accordance with the provisions of Section 17.61, Florida Statutes, and are not evidenced by specific, identifiable investment securities.

Of the reported investment amount, $4,000,000 is restricted by the covenants of the Series 2008A and 2009A bond reimbursement agreements (as well as the parity bond issues) as a cash liquidity requirement, as well as the Master Capital Lease Operating Agreement. Also included in the reported investment amount are the following restricted debt reserve account balances:
$22,504,251 of the reported total investment amount is unrestricted.

As of June 30, 2019, the Financing Corporation does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair market value losses arising from increasing interest rates.

4. INVESTMENT IN DIRECT FINANCING LEASE
As a condition of the financing arrangement, the Financing Corporation entered into a Master Ground Lease Agreement with the University. The University leases the respective project land on its campus to the Financing Corporation with a rental fee of $1.00 per year. The property covered by the Master Ground Lease together with improvements (re: student residences and parking facilities) thereon is leased back by the University to manage and operate through the Master Operating Lease (Direct Financing Lease). The payments on the Master Operating Lease are equal to net operating revenues, as defined, but not less than the annual debt service requirements of the related bond and loan debt. The Master Operating Lease shall terminate on the date on which all bonds, loans, and obligations under any related financing documents are paid in full. The Financing Corporation records these lease agreements as a receivable. The Financing Corporation amortizes the direct financing lease by the amount of respective bonded debt, including associated premiums and discounts, and loan principal paid over the term of the debt. For the year ended June 30, 2019, the investment in direct financing lease was amortized in the amounts of $6,083,459 for student residences, and $745,795 for parking facilities.
At June 30, 2019, the Financing Corporation’s Investment in Direct Financing Lease was $180,725,612 and consists of the following completed student residences and parking facilities:

<table>
<thead>
<tr>
<th>Student Residence</th>
<th>Year of Completion</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phase I</td>
<td>1998</td>
<td>$6,904,962</td>
</tr>
<tr>
<td>Phase II</td>
<td>2000</td>
<td>7,000,000</td>
</tr>
<tr>
<td>Phase III</td>
<td>2001</td>
<td>8,095,037</td>
</tr>
<tr>
<td>Phase IV</td>
<td>2002</td>
<td>7,591,506</td>
</tr>
<tr>
<td>Phase V</td>
<td>2003</td>
<td>6,973,593</td>
</tr>
<tr>
<td>Phase VI</td>
<td>2004</td>
<td>10,675,796</td>
</tr>
<tr>
<td>Phase VII</td>
<td>2005</td>
<td>8,399,116</td>
</tr>
<tr>
<td>Phase VIII</td>
<td>2008</td>
<td>25,604,702</td>
</tr>
<tr>
<td>Phase IX</td>
<td>2010</td>
<td>22,000,000</td>
</tr>
<tr>
<td>Phase X</td>
<td>2012</td>
<td>29,755,368</td>
</tr>
<tr>
<td>Phase XI</td>
<td>2011</td>
<td>15,867,531</td>
</tr>
<tr>
<td>Phase XII</td>
<td>2013</td>
<td>27,357,283</td>
</tr>
<tr>
<td>South Village Pool</td>
<td>2014</td>
<td>1,824,433</td>
</tr>
<tr>
<td>Phase XIII</td>
<td>2015</td>
<td>27,798,729</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>205,848,056</strong></td>
</tr>
<tr>
<td>Less: Direct Financing Lease Amortization</td>
<td>(44,456,028)</td>
<td></td>
</tr>
<tr>
<td>Total Student Residences</td>
<td></td>
<td><strong>$161,392,028</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Parking Facilities</th>
<th>Year of Completion</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phase I</td>
<td>2007</td>
<td>$7,008,293</td>
</tr>
<tr>
<td>Phase II</td>
<td>2008</td>
<td>10,186,821</td>
</tr>
<tr>
<td>Phase III</td>
<td>2010</td>
<td>8,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>25,195,114</strong></td>
</tr>
<tr>
<td>Less: Direct Financing Lease Amortization</td>
<td>(5,861,530)</td>
<td></td>
</tr>
<tr>
<td>Total Parking Facilities</td>
<td></td>
<td><strong>$19,333,584</strong></td>
</tr>
</tbody>
</table>

Total Investment in Direct Financing Lease, Net $180,725,612

5. CONSTRUCTION IN PROGRESS

During the year-ended June 30, 2018, the Financing Corporation committed to a loan to the University in an amount up to $8 million to construct a Student and Community Counseling Center. At June 30, 2019, the Student and Community Counseling Center remains under construction. The following is a summary of the Financing Corporation’s construction in progress activity for the year-ended June 30, 2019.
Construction in Progress:

<table>
<thead>
<tr>
<th></th>
<th>Beginning Balance</th>
<th>Adjustments/ Increase</th>
<th>Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Counseling Center</td>
<td>$7,796</td>
<td>$5,111,846</td>
<td>$5,119,642</td>
</tr>
<tr>
<td>Total</td>
<td>$7,796</td>
<td>$5,111,846</td>
<td>$5,119,642</td>
</tr>
</tbody>
</table>

6. LONG TERM LIABILITIES

Bonds and Loans payable activity for the year ended June 30, 2019 is as follows:

<table>
<thead>
<tr>
<th>Bonds Payable</th>
<th>Beginning Balance</th>
<th>Decreases</th>
<th>Ending Balance</th>
<th>Amounts Due Within One Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Series 2008A</strong></td>
<td>$17,660,000</td>
<td>(1,085,000)</td>
<td>$16,575,000</td>
<td>$610,000</td>
</tr>
<tr>
<td><strong>Series 2009A</strong></td>
<td>6,510,000</td>
<td>(265,000)</td>
<td>6,245,000</td>
<td>225,000</td>
</tr>
<tr>
<td><strong>Series 2010A</strong></td>
<td>27,340,000</td>
<td>(750,000)</td>
<td>26,590,000</td>
<td>775,000</td>
</tr>
<tr>
<td><strong>Series 2010B</strong></td>
<td>14,505,000</td>
<td>(405,000)</td>
<td>14,100,000</td>
<td>415,000</td>
</tr>
<tr>
<td><strong>Series 2011A</strong></td>
<td>26,965,000</td>
<td>(670,000)</td>
<td>26,295,000</td>
<td>695,000</td>
</tr>
<tr>
<td><strong>Series 2013A</strong></td>
<td>27,925,000</td>
<td>(725,000)</td>
<td>27,200,000</td>
<td>750,000</td>
</tr>
<tr>
<td><strong>Series 2017A</strong></td>
<td>47,500,000</td>
<td>(1,875,000)</td>
<td>45,625,000</td>
<td>1,960,000</td>
</tr>
<tr>
<td><strong>Series 2017B</strong></td>
<td>7,500,000</td>
<td>(260,000)</td>
<td>7,240,000</td>
<td>265,000</td>
</tr>
<tr>
<td><strong>Loan Payable:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>2005A Loan</strong></td>
<td>5,700,000</td>
<td>(200,000)</td>
<td>5,500,000</td>
<td>200,000</td>
</tr>
<tr>
<td><strong>2005B Loan</strong></td>
<td>4,300,000</td>
<td>(200,000)</td>
<td>4,100,000</td>
<td>200,000</td>
</tr>
<tr>
<td>Total</td>
<td>185,905,000</td>
<td>(6,435,000)</td>
<td>179,470,000</td>
<td>6,095,000</td>
</tr>
<tr>
<td><strong>Add:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Bond Discounts and Premium</strong></td>
<td>7,340,172</td>
<td>(394,254)</td>
<td>6,945,918</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$193,245,172</td>
<td>$ (6,829,254)</td>
<td>$186,415,918</td>
<td>$6,095,000</td>
</tr>
</tbody>
</table>

Loans Payable

On July 1, 2013, the Financing Corporation entered into a Loan Agreement dated July 1, 2013 (2005A) in the amount of $6,800,000 and a Loan Agreement dated July 1, 2013 (2005B) in the amount of $5,100,000, collectively hereafter referred to as the Loan, authorizing the purchase and refunding of Capital Revenue Bonds 2005A (Housing Phase VII) and Capital Revenue Bonds 2005B (Parking Phase I) which resulted in defeasance of the variable rate capital revenue bond debt and the securing of a fixed rate Loan as described in the Loan agreement and the Amended and Restated Trust Indenture dated as of July 1, 2013. The Loan proceeds were delivered to the Trustee and applied to reimburse the credit facility (Letter of Credit) previously securing the 2005 Bonds on the mandatory delivery date representing the par principal amounts.

The original proceeds derived from the sale of the Series 2005A Revenue Bonds were used to finance the construction and equipping of a new 288 bed apartment style student residence facility (North Lake Village Student Residence Complex - Phase VII) and the proceeds derived from the sale of the Series 2005B Revenue Bonds were used to finance the construction and equipping of a 500 space parking garage (Parking Facilities Phase I).
The proceeds from the fixed tax-exempt Loans were used to refund the outstanding principal debt of Capital Revenue Bonds 2005A (Housing Phase VII) in the par amount of $6,800,000 and Capital Revenue Bonds 2005B (Parking Phase I) in the par amount of $5,100,000 secured under the Amended and Restated Trust Indenture, dated as of July 1, 2013, between the Financing Corporation and the Trustee on a parity basis with all outstanding Financing Corporation Housing and Parking Systems Capital Improvement Revenue Bonds. The Loan payments are secured by a pledge of Net Housing and Parking Systems revenues, all pursuant to the Ninth Amended and Restated Master Capital Projects Operating Lease between the Financing Corporation and the University, dated July 1, 2013. The maturity of the Loan Agreement will not exceed the maturity of the original issue Capital Revenue Bonds 2005A (Housing Phase VII) and Capital Revenue Bonds 2005B (Parking Phase I).

According to the Loan agreement and the Amended and Restated Trust Indenture dated as of July 1, 2013, the Financing Corporation deposited with the Trustee an amount equal to the maximum annual debt service for the 2005A Series Bonds in the amount of $515,861 to be held by the Trustee in the 2005A Debt Service Reserve Account within the sinking capital fund. The maturity dates or payment principal schedules were not modified and there was no economic gain or loss of the transaction. The Trustee invests the funds held in the Debt Reserve Sinking Account and applies any accrued investment earnings against the payment of principal and interest. These funds, including interest, are included in Restricted Net Position.

On March 1, 2015, the Financing Corporation entered into the First Amendment to the Loan agreement requiring a 2005B debt service reserve requirement in the amount of $370,470 to be held by the Lender, in an interest bearing account, as long as they are the owner of the bonds. As a result of the corporate tax rate change effective January 1, 2018, the reserve requirement for the 2005B Bonds increased. Therefore, during the year ending June 30, 2019, the Financing Corporation made a deposit to bring the account up to the new minimum required balance of $385,648. The 2005B debt service reserve requirement, plus interest earned, are held by the Lender are available exclusively for payment of the Loan. These funds, including interest, are held by the Lender and included in Restricted Net Position.

Notwithstanding the original maturity date February 1, 2035, of the Capital Improvement Revenue Bonds Series 2005A and Capital Improvement Bonds Series 2005B, the bank has the right to exercise put dates initially in fifteen years, July 1, 2028, and in its sole discretion extend the term through the original maturity date of February 1, 2035. The Financing Corporation may prepay the Loan in whole or part anytime, however, it would be required to pay the bank an additional prepayment fee or premium as determined in the Amended and Restated Trust Indenture dated as of July 1, 2013. The intent of the Financing Corporation is to retire the Loan at the end of the fifteen year period without additional prepayment or premium fees.

Interest payable is based upon a fixed rate of 3.17% paid semi-annually with principal payable in varying amounts annually on February 1, 2014 through 2035. On February 1, 2019, a combined principal loan payment in the amount of $400,000 was paid leaving the outstanding Capital Improvement Revenue Loan Series 2005A in the amount of $5,500,000 and Capital Improvement Revenue Loan Series 2005B in the amount of $4,100,000 at June 30, 2019. The Loans are collateralized by the net rental revenues of the student residences system and parking system.

**Bonds Payable**

1. Capital Improvement Revenue Bonds, Series 2008A

On May 1, 2008, the Financing Corporation issued Capital Improvement Revenue Bonds, Series 2008A in the par amount of $22,000,000. The proceeds derived from the sale of the Series 2008A Revenue Bonds were used to finance the construction and equipping of a new 407 bed high rise suite style student residence facility and related improvements as an addition to the Housing System located on the University’s main campus (South Village Student Residence Complex – Phase IX). Interest on the 2008A bonds accrues at a weekly adjustable rate, as determined by the remarketing agent and is payable monthly. As of June 30, 2019, the variable interest rate was 1.90%. Principal is payable in varying amounts and is due annually on February 1, 2010 through
2038. The Financing Corporation has purchased, as additional collateral on the revenue bonds, a letter of credit that expires at various dates but is intended to remain in effect until either the revenue bonds are retired or all the interest rates are converted from variable to fixed. The 2008A bonds are collateralized by the net rental revenues of the student residences system.

At June 30, 2019, net position included $3,000,000 that is required to be held (restricted) as a condition of the Reimbursement Agreement dated December 13, 2012. The required reserve funds are invested with the State Treasury and included in Restricted Net Position.

On September 1, 2018 the Financing Corporation made an optional principal payment on the Series 2008A bonds in the amount of $500,000. On February 1, 2019, a required principal bond payment in the amount of $585,000 was paid leaving the outstanding Capital Improvement Revenue Bonds, Series 2008A in the amount of $16,575,000 at June 30, 2019.

(2) Capital Improvement Revenue Bonds, Series 2009A
On May 7, 2009, the Financing Corporation issued Capital Improvement Revenue Bonds, Series 2009A in the par amount of $8,000,000. The proceeds derived from the sale of the Series 2009A Revenue Bonds were used to finance the construction and equipping of an approximately 785 space parking garage and related improvements (Parking Facilities Phase III) as an addition to the Parking System located on the University’s main campus. Interest on the 2009A bonds accretes at a weekly adjustable rate, as determined by the remarketing agent and is payable monthly. As of June 30, 2019, the variable interest rate was 1.87%. Principal is payable in varying amounts and are due annually on February 1, 2011 through 2039. The Financing Corporation has purchased, as additional collateral on the revenue bonds, a letter of credit that expires at various dates but is intended to remain in effect until either the revenue bonds are retired or all the interest rates are converted from variable to fixed. The 2009A bonds are collateralized by the net rental revenues of the parking system.

At June 30, 2019, net position includes $1,000,000 that is required to be held (restricted) as a condition of the Reimbursement Agreement dated May 1, 2009, and the Master Capital Lease Operating Agreement. The required reserve funds are invested with the State Treasury and included in Restricted Net Position.

On September 1, 2018 the Financing Corporation made an optional principal payment on the Series 2009A bonds in the amount of $50,000. On February 1, 2019, a required principal bond payment in the amount of $215,000 was paid leaving the outstanding Capital Improvement Revenue Bond Series 2009A in the amount of $6,245,000 at June 30, 2019.

(3) Capital Improvement Revenue Bonds, Series 2010A and 2010B
On July 28, 2010, the Financing Corporation issued Capital Improvement Revenue Bonds, Series 2010A in the amount of $32,000,000 representing the par amount less the original issue discount in the amount of $138,451. The proceeds derived from the sale of the Series 2010A Revenue Bonds were used to finance the construction and equipping of a new five story, 417 bed suite style private bedroom student residence facility and associated parking garage with approximately 1,200 parking spaces and related site improvements (South Village Student Residence Complex - Phase X). Interest is payable based upon fixed rates ranging from 3.00% to 5.50% paid semi-annually with principal payable in varying amounts annually on February 1, 2012 through 2040. The Bonds are collateralized by the net rental revenues of the student residences system.

On October 14, 2010, the Financing Corporation issued Capital Improvement Revenue Bonds, Series 2010B in the amount of $17,000,000 representing the par amount, less the original issue discount in the amount of $45,669. The proceeds derived from the sale on the Series 2010B Revenue Bonds were used to acquire an existing apartment complex (West Lake Student Residence Complex - Phase XI), including approximately sixteen acres of land, seven existing buildings and all fixtures, furnishing, equipment, and other personal property owned and used in connection with the operation of the property. The new West Lake Village Student Residence Complex is located approximately one mile northeast of the University’s main campus adding 504 beds to the current Housing System. Interest is payable based upon fixed rates ranging from 2.00%
to 5.00% paid semi-annually with principal payable in varying amounts annually on February 1, 2012 through 2040. The Bonds are collateralized by the net rental revenues of the student residences system.

A Debt Service Reserve Account within the Sinking Fund was established for Series 2010A in the required amount of $2,106,181 and for Series 2010B in the required amount of $1,086,800 to provide additional security for the bonds and lower the overall interest rates. The Trustee invests the funds held in the Debt Reserve Sinking Account and applies any accrued investment earnings against the payment of principal and interest. The required reserve funds are invested with the State Treasury and included in Restricted Net Position.

On February 1, 2019, a combined required principal bond payment in the amount of $1,155,000 was paid. Therefore, at June 30, 2019, there remained outstanding Capital Improvement Revenue Bonds Series 2010A in the amount of $26,493,669 net of unamortized discount of $96,331 and Capital Improvement Bonds Series 2010B in the amount of $14,067,115 net of unamortized discount of $32,885.

(4) Capital Improvement Revenue Bonds, Series 2011A
On June 28, 2011, the Financing Corporation issued Capital Improvement Revenue Bonds, Series 2011A in the amount of $30,000,000 representing the par amount less the original issue discount in the amount of $35,974. The proceeds derived from the sale of the Series 2011A Revenue Bonds were used to finance the construction and equipping of a new five story 534 bed suite style private bedroom student residence facility (South Village Student Residence Complex - Phase XII). Interest is payable based upon fixed rates ranging from 4.00% to 5.50% paid semi-annually with principal payable in varying amounts on February 1, 2014 through 2041. The Bonds are collateralized by the net rental revenues of the student residences system.

A Debt Service Reserve Account within the Sinking Fund was established for Series 2011A in the required amount of $2,067,363 to provide additional security for the bonds and lower the overall interest rates. The Trustee invests the funds held in the Debt Reserve Sinking Account and applies any accrued investment earnings against the payment of principal and interest. The required reserve funds are invested with the State Treasury and included in Restricted Net Position.

On February 1, 2019, a required principal bond payment in the amount of $670,000 was paid. Therefore, at June 30, 2019 there remained outstanding Capital Improvement Revenue Bonds, Series 2011A in the amount of $26,268,754 net of unamortized discount of $26,246.

(5) Capital Improvement Revenue Bonds, Series 2013A
On June 11, 2013, the Financing Corporation issued Capital Improvement Revenue bonds, Series 2013A in the amount of $30,000,000 representing the par amount plus the original issue premium in the amount of $1,036,701. The proceeds derived from the sale of the Series 2013A Revenue Bonds were used to finance the construction and equipping of a new six story 535 bed suite style private bedroom student residence facility (South Village Student Residence Complex – Phase XIII). Interest is payable based upon fixed rates ranging from 2.25% to 5.00% paid semi-annually with principal payable in varying amounts on February 1, 2016 through 2043. The Bonds are collateralized by the net rental revenues of the student residences system.

A Debt Service Reserve Account within the Sinking Fund was established for Series 2013A in the required amount of $1,923,212 to provide additional security for the bonds and lower the overall interest rates. The Trustee invests the funds held in the Debt Reserve Sinking Account and applies any accrued investment earnings against the payment of principal and interest. The required reserve funds are invested with the State Treasury and included in Restricted Net Position.

On February 1, 2019, a required principal bond payment in the amount of $725,000 was paid. Therefore, at June 30, 2019 there remained outstanding Capital Improvement Revenue Bonds, Series 2013A in the amount of $28,026,443 net of unamortized premium of $826,443.
(6) Capital Improvement Refunding Revenue Bonds, Series 2017A and 2017B

The Series 2017A Bonds were issued in the amount of $47,500,000 plus original issue premium of $6,456,991. The proceeds from the sale of the Series 2017A Bonds were used to (i) refund the outstanding Capital Improvement Revenue Bonds, Series 2003 (Housing Project), and the Capital Improvement Revenue Bonds, Series 2007A (Housing Project), and (ii) pay costs relating to the issuance of the Series 2017A Bonds. Interest is payable based upon fixed rates ranging from 3.38% to 5.00% paid semi-annually with principal payable in varying amounts on August 1, 2018 through 2036.

The Series 2017B Bonds were issued in the amount of $7,850,000 plus original issue premium of $398,563. The proceeds from the sale of the Series 2017B Bonds were used to (i) refund the outstanding Capital Improvement Revenue Bonds, Series 2007C (Parking Project), and (ii) pay costs relating to the issuance of the Series 2017B Bonds. Interest is payable based upon fixed rates ranging from 3.00% to 5.00% paid semi-annually with principal payable in varying amounts on February 1, 2018 through 2037.

On July 1, 2014, the Financing Corporation Board of Director’s internally designated cash to be held as a reserve in an amount equivalent to the maximum annual debt service of the refunded bonds, Series 2003, Series 2007A and Series 2007C. The internally designated funds for Series 2003 and Series 2007A are now associated with the refunding bonds Series 2017A and the internally designated funds for Series 2007C are now associated with the refunding bonds Series 2017B. At June 30, 2019 the internally designated funds held as a reserve to provide additional security and cash liquidity were $4,084,688 for Series 2017A Bonds and $565,600 for the Series 2017B Bonds. Internally designated funds are invested with the State Treasury and included in Unrestricted Net Position.

On August 1, 2018 a required principal bond payment in the amount of $1,875,000 was paid on the Capital Improvement Refunding Revenue Bonds, Series 2017A. Therefore, at June 30, 2019 there remained outstanding Capital Improvement Refunding Revenue Bonds, Series 2017A in the amount of $51,534,299 net of unamortized premium of $5,909,299.

On February 1, 2019, a required principal bond payment in the amount of $260,000 was paid on Capital Improvement Refunding Revenue Bonds, Series 2017B. Therefore, at June 30, 2019 there remained outstanding Capital Improvement Refunding Revenue Bonds, Series 2017B in the amount of $7,605,638 net of unamortized premium of $365,638.

The following is a schedule of future minimum payments remaining under the outstanding Capital Improvement Revenue Bonds and Loans payable at June 30, 2019:
<table>
<thead>
<tr>
<th>Years Ending</th>
<th>Principal</th>
<th>Interest*</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 30</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>$6,095,000</td>
<td>$7,992,660</td>
<td>$14,087,660</td>
</tr>
<tr>
<td>2021</td>
<td>6,435,000</td>
<td>7,732,990</td>
<td>14,167,990</td>
</tr>
<tr>
<td>2022</td>
<td>6,690,000</td>
<td>7,466,453</td>
<td>14,156,453</td>
</tr>
<tr>
<td>2023</td>
<td>6,970,000</td>
<td>7,173,790</td>
<td>14,143,790</td>
</tr>
<tr>
<td>2024</td>
<td>7,250,000</td>
<td>6,878,469</td>
<td>14,128,469</td>
</tr>
<tr>
<td>2025-2029</td>
<td>41,580,000</td>
<td>29,259,040</td>
<td>70,839,040</td>
</tr>
<tr>
<td>2030-2034</td>
<td>52,080,000</td>
<td>18,757,627</td>
<td>70,837,627</td>
</tr>
<tr>
<td>2035-2039</td>
<td>39,205,000</td>
<td>8,465,106</td>
<td>47,670,106</td>
</tr>
<tr>
<td>2040-2044</td>
<td>13,165,000</td>
<td>1,279,412</td>
<td>14,444,412</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>$179,470,000</td>
<td>$95,005,547</td>
<td>$274,475,547</td>
</tr>
</tbody>
</table>

Add, Bond Discounts and Premium, Net: $6,945,918

**Total** $186,415,918 $95,005,547 $281,421,465

* Includes interest accrued at fixed and variable rates at June 30, 2019 of 1.87 - 5.50%.

7. DEFERRED INFLOW OF RESOURCES/DEFERRED GAIN ON DEBT REFUNDING

The unrestricted net position balance includes the effect of recognizing a deferred inflow of resources in the total amount of $468,550 originating from the gain on refunding of the Capital Improvement Revenue Bond Series 2003, Capital Improvement Revenue Bond Series 2007A, and Capital Improvement Revenue Bond Series 2007C by issuing the Series 2017A Bonds resulting in a gain of $216,491 and the Series 2017B Bonds resulting in a gain of $252,053 during the year ended June 30, 2018.

During the year ended June 30, 2019, the Financing Corporation recognized amortization of the deferred gain in the amount of $24,749. The following is a summary of the Financing Corporation’s deferred gain activity for the year-ended June 30, 2019:

<table>
<thead>
<tr>
<th>Deferred Gain on Debt Refunding, Net</th>
<th>Beginning Balance</th>
<th>Adjustments/(Decrease)</th>
<th>Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$454,114</td>
<td>$(24,749)</td>
<td>$429,365</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$454,114</td>
<td>$(24,749)</td>
<td>$429,365</td>
</tr>
</tbody>
</table>

8. RELATED PARTY TRANSACTIONS

The University operates and pays all operating costs of the facilities leased from the Financing Corporation from the gross rental income from the respective student residences and parking facilities. The Net Rental Income is then paid to the Financing Corporation by the University in arrears based on collections. Therefore, no receivable is recorded. The University provides accounting and administrative services, office space and related occupancy costs including utilities and use of other office machines at no cost to the Financing Corporation. At June 30, 2019, no amounts are reflected in the Financial Statements of the Financing Corporation for these items, either as donated revenue or the offsetting expenses, as no reasonable basis has been determined to value these costs.
During the year ended June 30, 2019, the Financing Corporation transferred $2,414,228 to the University. At June 30, 2019, the Financing Corporation reported a Due to University of $152,134.

9. COMMITMENTS AND CONTINGENCIES
The Financing Corporation pledged to an interest free loan to the University to be used as a financing component for the planned Wellness and Fitness Center, if needed.

The Financing Corporation Board of Directors approved funding for up to $8 million to construct a Student and Community Counseling Center to be repaid by the University. At June 30, 2019, $5,119,642 had been expended towards the Counseling Center.

The Financing Corporation has unpaid outstanding contracts, commitments or contingencies for the Counseling Center Project in the amount of $2,890,681 as of June 30, 2019.

10. RISK MANAGEMENT
The Financing Corporation is third party insured against risk of loss applicable to the Corporation.

11. FAIR VALUE MEASUREMENTS
The Financing Corporation investments are reported at book value, which is fair value using the cost approach to valuation in the accompanying Statement of Net Position at June 30, 2019 as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Carrying Value</th>
<th>Quoted Prices in Active Markets For Identical Assets (Level 1)</th>
<th>Quoted Prices in Active Markets For Similar Assets (Level 2)</th>
<th>Significant Unobservable Inputs (Level 3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets Investments - SPIA</td>
<td>$34,290,345</td>
<td>$34,290,345</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total Assets</td>
<td>$34,290,345</td>
<td>$34,290,345</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Investments – SPIA are cash investments that are held by the State (of Florida) Treasury Special Purpose Investment Account and are readily available.

Financial Instruments not Measured at Fair Value
Financial instruments not measured at fair value include cash and cash equivalents, receivables, accounts payable, and accrued expenses. The carrying amounts of these items approximates fair value due to the short term nature of the financial instruments.

Fair Value Measurements
FASB ASC 820-10-50-1 through 820-10-50-8 (formerly Financial Accounting Standards Board Statement No. 157, “Fair Value Measurements”) established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level (1) inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level (2) inputs consist of observable inputs or unobservable inputs that are corroborated by market data, and Level (3) inputs have the lowest priority. The Financing Corporation uses appropriate valuation techniques based on the available inputs to
measure the fair value of its investments. When available, the Financing Corporation measures fair value using Level (1) inputs because they generally provide the most reliable evidence of fair value.

Effective for the year ended June 30, 2016, the GASB issued GASB Statement No. 72 “Fair Value Measurement Application”. This statement requires new disclosures of (a) transfers in and out of Levels 1 and 2 to include reasons for the transfers as well, and (b) reconciliation for fair value measurements using significant, unobservable inputs. Level 3 should be presented separately on a gross basis, rather than as one net number. This update also provided amendments that clarify existing disclosures such as the level of disaggregation for each class of assets and liabilities as well as disclosures about inputs and valuation techniques. Investments are reported at book value which is fair value; the adoption of this update has no impact on the financial statements.

**Level (1) Fair Value Measurements**
The fair value of investments in SPIA is based on quoted market prices in an active market for identical assets.

**Level (2) Fair Value Measurements**
Observable inputs or unobservable inputs that are corroborated by market data.

**Level (3) Fair Value Measurements**
Unobservable inputs that are not corroborated by market data.
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Basic Financial Statements Performed in Accordance with Government Auditing Standards

Board of Directors
Florida Gulf Coast University Financing Corporation
10501 FGCU Boulevard South
Fort Myers, Florida 33965-6565

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America, the accompanying basic financial statements of Florida Gulf Coast University Financing Corporation (Financing Corporation) which comprise the statement of net position as of June 30, 2019, and the related statements of revenues, expenses and changes in net position and cash flows for the year then ended and the related notes to the financial statements and have issued our report thereon dated August 3, 2019.

Internal Control Over Financial Reporting
In planning and performing our audit of the financial statements, we considered Florida Gulf Coast University Financing Corporation’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Florida Gulf Coast University Financing Corporation’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Florida Gulf Coast University Financing Corporation’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the basic financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify any deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined previously. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters
As part of obtaining reasonable assurance about whether Florida Gulf Coast University Financing Corporation’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Purpose of This Report
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Financing Corporation’s internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Financing Corporation’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

TUSCAN & COMPANY, PA
Fort Myers, Florida
August 3, 2019
INDEPENDENT AUDITOR’S REPORT TO MANAGEMENT

Board of Directors
Florida Gulf Coast University Financing Corporation
10501 FGCU Boulevard South
Fort Myers, Florida 33965-6565

In planning and performing our audit of the financial statements of the Florida Gulf Coast University Financing Corporation (the “Financing Corporation”), as of and for the year ended June 30, 2019, we considered the Florida Gulf Coast University Financing Corporation’s internal controls over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion of the effectiveness of the Financing Corporation’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Financing Corporation’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Financing Corporation’s financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

In connection with our audit, we are submitting the following comments and recommendations in accordance with Government Auditing Standards. These comments and recommendations are submitted for your review and consideration, items noted during the audit and recommendations are designed to help the Financing Corporation make improvements and achieve operational efficiencies. Our comments reflect our desire to be of continuing assistance to the Florida Gulf Coast University Financing Corporation.
PRIOR YEAR COMMENTS THAT CONTINUE TO APPLY:
None – There were no financially significant prior year comments.

CURRENT YEAR COMMENTS:
None – There were no financially significant comments noted.

This report is intended solely for the information and use of the Board of Directors, management, the Auditor General of the State of Florida, and other Federal and State agencies. This report is not intended to be, and should not be, used by anyone other than these specified parties.

TUSCAN & COMPANY, P.A.
Fort Myers, Florida
August 3, 2019
September 24, 2019

Auditor General's Office
Local Government Audits/342
Claude Pepper Building, Room 401
111 West Madison Street
Tallahassee, FL 32399-1450

We are providing this letter in connection with the audit of Florida Gulf Coast University Financing Corporation (Financing Corporation) for the fiscal year ended June 30, 2019.

The Independent Auditor's Report to Management, did not disclose any findings regarding the Financing Corporation. In addition, the accompanying audit report did not include any prior audit findings.

If you have any questions or need additional information, please feel free to contact my office or June Gutknecht at 239-590-1227.

Sincerely,

Steve Magiera
Executive Director, Financing Corporation

cc: Tuscan & Company, P.A.
Certified Public Accountants/Consultants
12621 World Plaza Lane
Building 55
Fort Myers, FL 33907
ITEM: 29

Florida Gulf Coast University Board of Trustees
January 14, 2020

SUBJECT: Florida Gulf Coast University Foundation, Inc. Independent Auditor's Report Fiscal Year Ended June 30, 2019

PROPOSED BOARD ACTION

If recommended by the Audit and Compliance Committee which meets prior to this meeting, accept the Florida Gulf Coast University Foundation, Inc. Independent Auditor's Report for the Fiscal Year Ended June 30, 2019.

BACKGROUND INFORMATION

Each direct support organization of a state university is required to conduct an annual audit of its accounts and records by an independent certified public accountant in accordance with Section 1004.28(5), Florida Statutes. FGCU-PR 1.005 requires that annual reports related to FGCU direct support organizations be submitted to the FGCU Board of Trustees.

The firm of Cherry Bekaert, LLP has completed the audit report of the Foundation for the fiscal year ended June 30, 2019. The Foundation's Audit Committee accepted the audit report at its October 15, 2019 meeting. The Foundation's Executive Committee accepted the audit report at its November 20, 2019 meeting, and it was accepted by the FGCU Foundation Board of Directors at its December 4, 2019 meeting.

Supporting Documentation Included: (1) Summary Memo, and (2) FGCU Foundation Independent Auditor's Report Fiscal Year Ended June 30, 2019

Prepared by: Director of Internal Audit William Foster

Legal Review: N/A

Submitted by: Audit and Compliance Committee Chair Joseph Fogg III
Below is a summary of the key points in the Financial Audit of the Florida Gulf Coast University Foundation, Inc.

**Page 1 – Opinion** – The auditors have determined the financial statements fairly present the financial position of the Foundation. This is known as a clean opinion.

**Pages 3 through 11 - Management’s Discussion and Analysis** – This is the section where Management describes in reader friendly terms what occurred in the last fiscal year. This section points out major transactions, and presents comparative figures from the prior year.

**Page 12 – Statement of Net Position** – Years ago, this statement was known as the Balance Sheet. At year end, there were $134.9 million of total assets, $1.7 million total liabilities and deferred inflows, and net position (residual equity) $133.2 million.

**Page 13 – Statement of Revenues, Expenses and Changes in Net Position** – This statement was formerly known as an Income Statement. For the year, we had $15.3 million in operating revenue, $20.1 million operating expenses, and $7 million net non-operating revenue (primarily $6.5 million in investment gains), and $1 million net contributions to endowments, arriving at a $3.2 million increase in net position.

**Pages 14 and 15 – Statement of Cash Flows** – This statement shows the effects to cash from the financial transactions. The net effect is a $1.4 million decrease in cash and cash equivalents for the year.

**Pages 16 through 30 - Notes to the Financial Statements** – There is a significant amount of information to explain the various line items in the financial statements. Compared to Management’s Discussion and Analysis, these notes are not necessarily as reader friendly.

**Pages 31 through 41 – Supplementary Information** – This section of the report includes additional required State schedules and also provides a breakdown of the financial statements by account type.

**Pages 42 and 43 – Auditor’s Report on Internal Control and Compliance** – This report on internal control relates financial reporting and compliance with Government Auditing Standards.
FLORIDA GULF COAST UNIVERSITY FOUNDATION, INC.

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

As of and for the Years Ended June 30, 2019 and 2018

And Report of Independent Auditor
FLORIDA GULF COAST UNIVERSITY FOUNDATION, INC.

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REPORT OF INDEPENDENT AUDITOR ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS ................................................................................................................. 42-43
Report of Independent Auditor

To the Board of Directors
Florida Gulf Coast University Foundation, Inc.
Fort Myers, Florida

Report on the Financial Statements
We have audited the accompanying financial statements of the Florida Gulf Coast University Foundation, Inc. (the “Foundation”), a direct support organization and component unit of Florida Gulf Coast University, as of and for the years ended June 30, 2019 and 2018, and the related notes to the financial statements, which collectively comprise the Foundation’s basic financial statements as listed in the table of contents.

Management’s Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of June 30, 2019 and 2018, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.
Other Matters

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3-11 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information
Our audits were conducted for the purpose of forming an opinion on the financial statements that comprise the Foundation's basic financial statements. The supplementary information as of and for the years ended June 30, 2019 and 2018, as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and is derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards
In accordance with Government Auditing Standards, we have also issued our report dated October 15, 2019 on our consideration of the Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Foundation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Foundation's internal control over financial reporting and compliance.

Cherry Bekaert LLP

Tampa, Florida
October 15, 2019
FLORIDA GULF COAST UNIVERSITY FOUNDATION, INC.
MANAGEMENT’S DISCUSSION AND ANALYSIS

JUNE 30, 2019 AND 2018

Florida Gulf Coast University Foundation, Inc. (the “Foundation”) is a direct support organization and component unit of Florida Gulf Coast University (a governmental agency) (the “University”). The Foundation accounts for its transactions in accordance with the pronouncements issued by the Governmental Accounting Standards Board (“GASB”).

The Foundation is considered a Business-Type Activity (“BTA”) under the provisions of GASB Statement No. 34, Basic Financial Statements and Management’s Discussion and Analysis – for State and Local Governments and GASB Statement No. 35, Basic Financial Statement – Management’s Discussion and Analysis – for Public Colleges and Universities. The BTA format includes accounting on an accrual basis and the recording of depreciation. The statements are a presentation of 1) assets and liabilities as current and noncurrent and deferred inflows of resources; 2) revenues and expenses as operating and nonoperating; 3) the use of the direct and indirect methods for statement of cash flows; and 4) management’s discussion and analysis (“MD&A”) of the financial results.

The objective of the MD&A is to focus on current activities, resulting changes, and currently known facts to provide the reader with an overall summary of the accompanying financial statements. It should be read in conjunction with the basic financial statements and accompanying notes.

The financial statements include the following:

1) Basic financial statements -
   a) Statements of Net Position
   b) Statements of Revenues, Expenses, and Changes in Net Position
   c) Statements of Cash Flows
   d) Notes to the Financial Statements and,

2) Supplementary Schedules to the financial statements

Financial Highlights

Financial Position

2019

Total Assets were $134.8 million an increase of $3.4 million (2.6%) from 2018. This was mainly due to $5.5 million increase in restricted investments.

2018

Total Assets were $131.5 million an increase of $4.2 million (3.3%) from 2017. This was mainly due to $5.7 million increase in restricted investments.
FLORIDA GULF COAST UNIVERSITY FOUNDATION, INC.
MANAGEMENT’S DISCUSSION AND ANALYSIS

JUNE 30, 2019 AND 2018

**Foundation Scholarships**

**2019**

The Foundation paid scholarships during the fiscal year 2019 totaling $3,763,027, an increase of 18.9% from fiscal year 2018's $3,163,757. It also represents a new high for Foundation scholarships awarded within a fiscal year.

**2018**

The Foundation paid scholarships during the fiscal year 2018 totaling $3,163,757, an increase of 9.2% from fiscal year 2017's $2,898,404. It also represents a new high for Foundation scholarships awarded within a fiscal year.

**Major Gifts**

The 2011 legislature suspended the Major Gifts Matching Program effective July 1, 2011. The program may be restarted after $200 million of the backlog for programs have been matched. Existing eligible donations remain eligible for future matching funds. The Foundation's existing request to the state of Florida for matching gifts is $11.8 million as of June 30, 2019 and 2018.

The following sections in the MD&A include an analysis of the three basic financial statements listed on the previous page.

**Statements of Net Position**

The purpose of the statements of net position is to present the reader with a look at the Foundation's financial condition as of the end of the fiscal year.

In reading the statements of net position, the reader will be able to determine the Foundation's ability to continue operations; how much it owes to vendors and other lending institutions; and provide a snapshot of the assets and their availability for spending by the Foundation.
Condensed Summary of Net Position
(in thousands of dollars)

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
<th>2017</th>
<th>Increase (Decrease)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets</td>
<td>21,074</td>
<td>23,568</td>
<td>24,226</td>
<td>(2,494)</td>
<td>(10.6%)</td>
</tr>
<tr>
<td>Noncurrent assets</td>
<td>113,813</td>
<td>107,960</td>
<td>103,151</td>
<td>5,853</td>
<td>5.4%</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>134,887</td>
<td>131,528</td>
<td>127,377</td>
<td>3,359</td>
<td>2.6%</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current liabilities</td>
<td>200</td>
<td>142</td>
<td>2,527</td>
<td>58</td>
<td>40.8%</td>
</tr>
<tr>
<td>Noncurrent liabilities</td>
<td>456</td>
<td>461</td>
<td>453</td>
<td>(5)</td>
<td>(1.1%)</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>656</td>
<td>603</td>
<td>2,980</td>
<td>53</td>
<td>8.8%</td>
</tr>
<tr>
<td><strong>Deferred Inflows of Resources</strong></td>
<td>1,042</td>
<td>978</td>
<td>857</td>
<td>64</td>
<td>6.5%</td>
</tr>
<tr>
<td><strong>Net Position</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted by donors-expendable</td>
<td>47,080</td>
<td>43,901</td>
<td>39,607</td>
<td>3,179</td>
<td>7.2%</td>
</tr>
<tr>
<td>Permanent endowments-nonexpendable</td>
<td>76,571</td>
<td>74,868</td>
<td>71,068</td>
<td>1,703</td>
<td>2.3%</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>9,538</td>
<td>11,178</td>
<td>12,865</td>
<td>(1,640)</td>
<td>(14.7%)</td>
</tr>
<tr>
<td><strong>Total Net Position</strong></td>
<td>$133,189</td>
<td>$129,947</td>
<td>$123,540</td>
<td>3,242</td>
<td>2.5%</td>
</tr>
</tbody>
</table>

The 2019 and 2018 statements of net position are presented on page 12 of the basic financial statements. For the fiscal year ended June 30, 2019, the total net position increased $3.2 million (2.4%). This year's activity included the following:

**Assets**

**2019**

Current assets decreased by $2.5 million (10.6%). Cash and cash equivalents decreased by approximately $1.4 million. The cash position in the Foundation's investment pool at June 30, 2019 was $0.4 million, approximately 40% that on June 30, 2018.

Other noncurrent assets increased by $5.9 million (5.4%). Restricted investments increased by $5.6 million (5.9%) due to positive returns. The Foundation’s investment pool had a one year return of 7.0% at June 30, 2019.
FLORIDA GULF COAST UNIVERSITY FOUNDATION, INC.
MANAGEMENT’S DISCUSSION AND ANALYSIS

JUNE 30, 2019 AND 2018

2018

Current assets decreased slightly by $0.7 million (2.7%). Cash and cash equivalents decreased by approximately $1.4 million. The cash position in the Foundation’s investment pool at June 30, 2018 was $1.0 million, almost four times that on June 30, 2017.

Other noncurrent assets increased by $4.8 million (4.7%). Restricted investments increased by $5.7 million (6.5%) due to endowed contributions and positive returns. The Foundation’s investment pool had a one year return of 7.86% at June 30, 2018.

Liabilities

2019

Current liabilities increased slightly by $58,000 due to an increase in accounts payable on June 30, 2019.

Noncurrent liabilities decreased by $5,000 (1.1%) due to a reduction in future planned gift annuity payments offset by a new gift annuity obligation received in fiscal year 2019.

2018

Current liabilities decreased by $2.4 million (94.4%) mainly due to the payoff of a $2.3 million loan.

Noncurrent liabilities increased by $8,000 (1.8%) due to new gift annuities in fiscal year 2018.

Deferred Inflows of Resources

2019

Deferred inflows of resources for gift annuities increased by $64,000 (6.6%) due to earnings on the gift annuity investment and current year contributions.

2018

Deferred inflows of resources for gift annuities increased by $121,000 (14.1%) due to earnings on the gift annuity investment and current year contributions.
FLORIDA GULF COAST UNIVERSITY FOUNDATION, INC.
MANAGEMENT’S DISCUSSION AND ANALYSIS

JUNE 30, 2019 AND 2018

Net Position

The net position section of the statements of net position provides two classifications:

1) The restricted assets are listed in two categories:
   a) The restricted by donors category represents amounts which are available for spending in accordance with the donor's specified criteria and,
   b) The permanent endowments category represents the Foundation's restricted nonexpendable funds, which are required to be held in perpetuity.

2) The unrestricted assets are the amounts available to the Foundation for any purpose in support of its mission.

2019

The net position at June 30, 2019 increased to $133.1 million, which is 2.4% more than the $129.9 million in 2018.

The change in net position equals the excess of funds and pledges received over the amounts expensed and amortized. For fiscal year 2019, the statements of revenues, expenses, and changes in net position reflect a $3.2 million (2.4%) increase in net position.

2018

The net position at June 30, 2018 increased to $129.9 million, which is 5.2% more than the $123.5 million in 2017.

The change in net position equals the excess of funds and pledges received over the amounts expensed and amortized. For fiscal year 2018, the statements of revenues, expenses, and changes in net position reflect a $6.4 million (5.2%) increase in net position.

Statements of Revenues, Expenses, and Changes in Net Position

The purpose of the statements of revenues, expenses, and changes in net position is to provide the details of the Foundation's operating and nonoperating activities for the fiscal year. This includes the revenues displayed by major source (net of discounts), expenditures, and gains and losses received by the Foundation.

The statements of revenues, expenses, and changes in net position include the following categories:

- Operating revenues are revenues received from donors (i.e., contributions, etc.) and services provided (i.e., special events, etc.) to various customers and constituents of the Foundation.
- Operating expenses are detailed by expense type, which include program fees, scholarships, University support, and general administrative expenses.
- Operating loss represents the amount of expenses in excess of current year's revenues and does not include nonoperating revenue.
- Nonoperating revenue is received from sources for which no service is provided by the Foundation (i.e., investments).
- Capital additions represent endowment contributions and intergovernmental revenues.
- The change in net position is the result of the current year's excess revenues over expenses, which is also the change in total net position on the statements of net position.
FLORIDA GULF COAST UNIVERSITY FOUNDATION, INC.
MANAGEMENT’S DISCUSSION AND ANALYSIS

JUNE 30, 2019 AND 2018

<table>
<thead>
<tr>
<th>Condensed Summary of Revenues, Expenses, and Changes in Net Position</th>
<th>2019</th>
<th>2018</th>
<th>2017</th>
<th>Increase (Decrease)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenues:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>$12,032</td>
<td>$8,598</td>
<td>$10,479</td>
<td>3,434</td>
<td>39.9%</td>
</tr>
<tr>
<td>Other income</td>
<td>3,230</td>
<td>3,051</td>
<td>3,750</td>
<td>179</td>
<td>5.9%</td>
</tr>
<tr>
<td>Total operating revenues</td>
<td>15,262</td>
<td>11,649</td>
<td>14,229</td>
<td>3,613</td>
<td>24.3%</td>
</tr>
<tr>
<td>Less operating expenses</td>
<td>20,079</td>
<td>16,160</td>
<td>16,869</td>
<td>3,919</td>
<td></td>
</tr>
<tr>
<td>Operating Loss</td>
<td>(4,817)</td>
<td>(4,511)</td>
<td>(2,640)</td>
<td>(306)</td>
<td>6.8%</td>
</tr>
<tr>
<td>Nonoperating Income:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest earnings</td>
<td>486</td>
<td>274</td>
<td>202</td>
<td>212</td>
<td>77.4%</td>
</tr>
<tr>
<td>Net investments earnings</td>
<td>6,523</td>
<td>6,919</td>
<td>9,272</td>
<td>(396)</td>
<td>(5.7%)</td>
</tr>
<tr>
<td>Nonoperating Revenues</td>
<td>7,009</td>
<td>7,193</td>
<td>9,474</td>
<td>(184)</td>
<td>(2.6%)</td>
</tr>
<tr>
<td>Income before endowment contributions</td>
<td>2,192</td>
<td>2,682</td>
<td>6,834</td>
<td>(490)</td>
<td>(18.3%)</td>
</tr>
<tr>
<td>Endowment Contributions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions to endowments</td>
<td>1,050</td>
<td>3,725</td>
<td>6,346</td>
<td>(2,675)</td>
<td>(71.8%)</td>
</tr>
<tr>
<td>Increase in net position</td>
<td>3,242</td>
<td>6,407</td>
<td>13,180</td>
<td>(3,165)</td>
<td>(49.4%)</td>
</tr>
<tr>
<td>Net position, beginning of the year</td>
<td>129,947</td>
<td>123,540</td>
<td>110,360</td>
<td>6,407</td>
<td>5.2%</td>
</tr>
<tr>
<td>Net position, end of the year</td>
<td>$133,189</td>
<td>$129,947</td>
<td>$123,540</td>
<td>3,242</td>
<td>2.5%</td>
</tr>
</tbody>
</table>
FLORIDA GULF COAST UNIVERSITY FOUNDATION, INC.
MANAGEMENT’S DISCUSSION AND ANALYSIS

JUNE 30, 2019 AND 2018

The 2019 and 2018 statements of revenues, expenses, and changes in net position are on page 13 of the basic financial statements. The statements' highlights are as follows:

Operating Revenues

2019
Contributions increased by $3.5 million (39.9%) compared to 2018. This was mainly due to a single $2.8 million contribution to scholarships. Unrestricted and restricted gifts are classified as contributions whereas endowed gifts are classified as increases to permanent endowment.

Other income increased by $179,000 (5.9%). Athletic sponsorships and other income continue to increase.

2018
Contributions decreased by $1.9 million (18.0%) compared to 2017. Unrestricted and restricted gifts are classified as contributions whereas endowed gifts are classified as increases to permanent endowment.

Other income decreased by $700,000 (18.6%) mainly due to the estimated revenue of $725,000 related to the addition of Land held for investment in 2017. Athletic sponsorships and other income continue to increase.

Operating Expenses

2019
The Foundation assisted the University in providing program services including salaries, scholarships, operating expenses, and equipment in the amount of $20.1 million. This represented a 24.4% increase from 2018.

The Foundation disbursed $3.8 million for scholarships in 2019. This amount is an 18.9% increase from 2018 and represents the largest total Foundation scholarships awarded within a fiscal year.

2018
The Foundation assisted the University in providing program services including salaries, scholarships, operating expenses, and equipment in the amount of $16.2 million. This represented a 3.9% decrease from 2017.

The Foundation disbursed $3.2 million for scholarships in 2018. This amount represents the largest total Foundation scholarships awarded within a fiscal year.
Nonoperating Revenue

2019
Nonoperating revenues decreased by 2.6% mainly due to a slight reduction in investment earnings of $6.5 million in 2019 compared to $6.9 million in 2018. The Foundation had interest earnings of $486,000 in 2019, a 77.4% increase from 2018.

2018
Nonoperating revenues decreased mainly due to a reduction in investment earnings of $6.9 million in 2018 compared to $9.2 million in 2017. The Foundation also had interest earnings of $274,000 in 2018, a 35.7% increase from 2017.

Endowments

2019
Contributions to endowments decreased by $2.7 million compared to 2018. During 2019, the Foundation received $1.1 million in contributions to endowments. The Foundation received many contributions to endowments for $100,000 or more for an Eminent Scholar in Science, endowed scholarships, and in support of the Bower School of Music & the Arts. The Foundation received many contributions to endowments under $100,000 for the purpose of scholarships and programs that will benefit the University’s faculty, staff, and students.

2018
Contributions to endowments decreased by $2.6 million (41.3%) compared to 2017. During 2018, the Foundation received $3.7 million in contributions to endowments. The Foundation received a major endowed gift of $2.3 million for the benefit of the Dr. Elaine Nicpon Marieb College of Health & Human Services. The Foundation received $250,000 for an endowment that will aid faculty to enhance their teaching and classroom management skills. The Foundation also received five contributions to endowments between $100,000 and $150,000 for an Eminent Scholar in Science, scholarships, the Resort and Hospitality Management program, and in support of the University’s Art Gallery. The Foundation also received many contributions to endowments under $100,000 for the purpose of scholarships and programs that will benefit the University's faculty, staff, and students.
FLORIDA GULF COAST UNIVERSITY FOUNDATION, INC.
MANAGEMENT’S DISCUSSION AND ANALYSIS

JUNE 30, 2019 AND 2018

**Statements of Cash Flows**

The statements of cash flows display the cash provided and used for operating, investing activities, noncapital financing, and capital and related financing.

Operating activities include funds received (i.e., from private donors, fees, matching programs, etc.) and payments (i.e., for programs, scholarships, University support, etc.) made for the Foundation's operations.

Investing activities represent funds used to purchase investments and associated investment earnings.

Noncapital financing include endowment contributions and interest paid on debt.

Capital and related financing activities include outflows of cash for debt service, capital expenses, and other notes payable and receivable.

**Economic Outlook**

The Foundation’s restricted investments increased by 5.9% as the investment pool returned 7.0% for the fiscal year 2019.

On the first day of classes for academic year 2019-2020 there were 15,024 students enrolled at Florida Gulf Coast University. The University’s economic outlook is strong for fiscal year 2020. The 27,000 square foot Student and Community Counseling Center on Campus is expected to open in October 2019 with the new 50,000 square foot Student Health and Fitness Center to open in January 2020. The University expects to receive the State of Florida final appropriation of $11 million towards the construction of the 116,000 square feet Academic Building number 9. The number of alumni is now more than 33,500 worldwide.

The Foundation has no knowledge of any current facts, decisions, or conditions that are expected to have a significant effect on the financial position or its results of operations during the next fiscal year.

Management believes the Foundation’s overall position is strong. The Foundation has sufficient funds to cover its obligations.

**Request for Information**

This financial report is designed to provide the reader an overview of the Foundation. Questions regarding any information provided in this report should be directed to: Chief Financial Officer, Florida Gulf Coast University Foundation, Inc., 10501 FGCU Blvd. South, Fort Myers, Florida 33965, (239) 745-4365.
FLORIDA GULF COAST UNIVERSITY FOUNDATION, INC.
STATEMENTS OF NET POSITION

JUNE 30, 2019 AND 2018

The accompanying notes to the financial statements are an integral part of these statements.
## FLORIDA GULF COAST UNIVERSITY FOUNDATION, INC.
### STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

### YEARS ENDED JUNE 30, 2019 AND 2018

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Revenues:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>$12,031,604</td>
<td>$8,598,201</td>
</tr>
<tr>
<td>Other income</td>
<td>3,229,876</td>
<td>3,051,455</td>
</tr>
<tr>
<td><strong>Total Operating Revenues</strong></td>
<td>15,261,480</td>
<td>11,649,656</td>
</tr>
<tr>
<td><strong>Operating Expenses:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program Services:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program fees</td>
<td>4,194,608</td>
<td>4,716,492</td>
</tr>
<tr>
<td>Scholarships</td>
<td>3,763,027</td>
<td>3,163,757</td>
</tr>
<tr>
<td>University support</td>
<td>10,004,356</td>
<td>6,914,143</td>
</tr>
<tr>
<td>General and administrative expenses</td>
<td>2,089,706</td>
<td>1,319,731</td>
</tr>
<tr>
<td>Return of restricted contribution</td>
<td>-</td>
<td>3,775</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>20,051,697</td>
<td>16,117,898</td>
</tr>
<tr>
<td><strong>Operating Loss</strong></td>
<td>(4,817,361)</td>
<td>(4,510,055)</td>
</tr>
<tr>
<td><strong>Nonoperating Revenues:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest earnings</td>
<td>486,132</td>
<td>273,631</td>
</tr>
<tr>
<td>Net investment earnings</td>
<td>6,523,265</td>
<td>6,919,439</td>
</tr>
<tr>
<td><strong>Total Nonoperating Revenues</strong></td>
<td>7,009,397</td>
<td>7,193,070</td>
</tr>
<tr>
<td>Income before endowment contributions</td>
<td>2,192,036</td>
<td>2,683,015</td>
</tr>
<tr>
<td><strong>Endowment Contributions:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions to endowments</td>
<td>1,049,802</td>
<td>3,724,592</td>
</tr>
<tr>
<td><strong>Change in net position</strong></td>
<td>3,241,838</td>
<td>6,407,607</td>
</tr>
<tr>
<td>Net position, beginning of year</td>
<td>129,947,328</td>
<td>123,539,721</td>
</tr>
<tr>
<td><strong>Net position, end of year</strong></td>
<td>$133,189,166</td>
<td>$129,947,328</td>
</tr>
</tbody>
</table>

The accompanying notes to the financial statements are an integral part of these statements.
FLORIDA GULF COAST UNIVERSITY FOUNDATION, INC.
STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2019 AND 2018

<table>
<thead>
<tr>
<th>Cash flows from operating activities:</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Received from private donors</td>
<td>$11,744,957</td>
<td>$9,286,371</td>
</tr>
<tr>
<td>Received from other sources</td>
<td>3,416,872</td>
<td>3,519,795</td>
</tr>
<tr>
<td>Payments to university for programs</td>
<td>(18,016,119)</td>
<td>(14,814,840)</td>
</tr>
<tr>
<td>Payments to suppliers for goods and services</td>
<td>(2,044,041)</td>
<td>(1,325,856)</td>
</tr>
<tr>
<td>Prior year contributions returned</td>
<td>-</td>
<td>(3,775)</td>
</tr>
<tr>
<td>Net cash flows from operating activities</td>
<td>(4,898,331)</td>
<td>(3,338,305)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash flows from investing activities:</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proceeds from sales and maturities of investments</td>
<td>24,520,650</td>
<td>20,017,051</td>
</tr>
<tr>
<td>Purchases of investments</td>
<td>(24,719,266)</td>
<td>(17,354,926)</td>
</tr>
<tr>
<td>Investment earnings received</td>
<td>2,170,824</td>
<td>(2,476,970)</td>
</tr>
<tr>
<td>Interest earnings received</td>
<td>486,132</td>
<td>273,631</td>
</tr>
<tr>
<td>Net cash flows from investing activities</td>
<td>2,458,340</td>
<td>458,786</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash flows from noncapital financing activities:</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Endowment contributions</td>
<td>1,049,800</td>
<td>3,724,592</td>
</tr>
<tr>
<td>Interest paid on debt</td>
<td>-</td>
<td>(19,971)</td>
</tr>
<tr>
<td>Net cash flows from noncapital financing activities</td>
<td>1,049,800</td>
<td>3,704,621</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash flows from capital and related financing activities:</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal payments on loans payable</td>
<td>-</td>
<td>(2,250,000)</td>
</tr>
<tr>
<td>Net cash flows from capital and related financing activities</td>
<td>-</td>
<td>(2,250,000)</td>
</tr>
</tbody>
</table>

| Net decrease in cash and cash equivalents           | (1,390,191)| (1,424,898)|
| Cash and cash equivalents, beginning of year        | 20,696,953 | 22,121,851 |
| Cash and cash equivalents, end of year              | $19,306,762| $20,696,953|

<table>
<thead>
<tr>
<th>Supplemental disclosures of noncash related investing activities:</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net change in unrealized and realized gain</td>
<td>$8,694,089</td>
<td>$4,442,469</td>
</tr>
</tbody>
</table>

The accompanying notes to the financial statements are an integral part of these statements.
## FLORIDA GULF COAST UNIVERSITY FOUNDATION, INC.
### STATEMENTS OF CASH FLOWS (CONTINUED)

**YEARS ENDED JUNE 30, 2019 AND 2018**

The accompanying notes to the financial statements are an integral part of these statements.

### Reconciliation of operating loss to net cash flows from operating activities:

<table>
<thead>
<tr>
<th>Description</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating loss</td>
<td>$(4,817,361)</td>
<td>$(4,510,055)</td>
</tr>
<tr>
<td>Adjustments to reconcile operating loss to net cash from operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest paid on debt</td>
<td>-</td>
<td>$19,971</td>
</tr>
<tr>
<td>Amortization</td>
<td>$27,144</td>
<td>$21,842</td>
</tr>
<tr>
<td>Change in allowance and present value discount of contributions and annuities</td>
<td>$62,537</td>
<td>$159,869</td>
</tr>
<tr>
<td>Deferred Inflow of resources related to gift annuities</td>
<td>$64,103</td>
<td>$120,777</td>
</tr>
<tr>
<td>Land held for investment</td>
<td>$131,964</td>
<td>$271,268</td>
</tr>
<tr>
<td>Effect of changes in operating assets and liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>$1,499</td>
<td>$(1,941)</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>$(125,291)</td>
<td>$1,394</td>
</tr>
<tr>
<td>Pledges receivable</td>
<td>$(300,809)</td>
<td>$573,911</td>
</tr>
<tr>
<td>Royalties receivable</td>
<td>$53,531</td>
<td>$199,013</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$55,353</td>
<td>$(139,198)</td>
</tr>
<tr>
<td>Gift annuity payable</td>
<td>$(51,001)</td>
<td>$(55,156)</td>
</tr>
<tr>
<td><strong>Net cash flows from operating activities</strong></td>
<td>$(4,898,331)</td>
<td>$(3,338,305)</td>
</tr>
</tbody>
</table>
FLORIDA GULF COAST UNIVERSITY FOUNDATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

Note 1—Nature of organization and summary of significant accounting policies

Nature of Organization – The Florida Gulf Coast University Foundation, Inc. (the “Foundation”) was incorporated on April 29, 1993 as a Florida not-for-profit foundation under the provisions of Chapter 617 of the Florida Statutes. The Foundation is a direct support organization as certified by the Board of Regents on June 14, 1993. The Foundation was established to encourage, solicit, collect, receive, and administer gifts and bequests of property and funds for scientific, educational, and charitable purposes, for the advancement of Florida Gulf Coast University (the “University”) and its objectives.

Reporting Entity – The Foundation is considered a discrete component unit of the University due to the University’s budgetary oversight responsibility and due to the Foundation’s significant operational and financial relationships with the University. Management has determined no entities are required to be reported as component units of the Foundation.

Basis of Presentation and Accounting – The Foundation follows Governmental Accounting Standards Board (“GASB”) Statement No. 34, Basic Financial Statements - and Management’s Discussion and Analysis - for State and Local Governments, as amended; GASB Statement No. 35, Basic Financial Statements - and Management’s Discussion and Analysis - for Public Colleges and Universities; GASB Statement No. 37, Basic Financial Statements - Management’s Discussion and Analysis - for Public Colleges and Universities; GASB Statement No. 38, Certain Financial Statements Note Disclosures. GASB Statements No. 34 and No. 35 established standards for external financial reporting which includes a statement of net position, a statement of revenues, expenses, and changes in net position, and a statement of cash flows using the direct method. GASB Statements No. 34 and 35 also include a requirement that management provide a discussion and analysis of the basic financial statements and it requires the classification of net position into two components - net restricted and unrestricted. These classifications are defined as follows:

- Restricted – Includes funds Restricted by donors - Expendable and Nonexpendable endowments.
  - Expendable – Includes funds whose use by the Foundation is subject to donor-imposed stipulations that can be fulfilled by actions of the Foundation pursuant to those stipulations, or that expire by passage of time.
  - Nonexpendable Endowments – Includes funds subject to donor-imposed stipulations that they be maintained permanently by the Foundation to use all or part of the related investment return for general or specific purposes in support of the University.

- Unrestricted – Consists of funds that do not meet the definition of "restricted" or "invested in capital assets."

The financial statements of the Foundation have been prepared using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recognized when they are incurred.

When unrestricted and restricted resources are available, the Foundation practice is to apply restricted resources first, then unrestricted resources as needed. When internally committed unrestricted resources and restricted resources are available, the Foundation’s practices is to first apply internally committed unrestricted resources, then restricted resources and finally unrestricted resources as needed.
Note 1—Nature of organization and summary of significant accounting policies (continued)

Cash and Cash Equivalents – For purposes of the statements of cash flows, the Foundation considers cash on hand, cash on deposit, money market mutual funds, and all highly liquid debt instruments purchased with an original maturity of three months or less to be cash and cash equivalents.

Cash and cash equivalents held on June 30, 2019 and 2018 are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Unrestricted</td>
<td>Restricted</td>
</tr>
<tr>
<td>2018</td>
<td>$ 8,725,258</td>
<td>$ 11,012,821</td>
</tr>
</tbody>
</table>

Pledges Receivable – The Foundation accounts for its pledges in accordance with GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions. GASB Statement No. 33 establishes reporting standards for nonexchange transactions, whereby unrestricted and restricted contributions receivable are recorded in the statements of net position and endowment contributions are excluded from the statements of net position.

Pledges receivables are recorded at estimated present value at the date of the gift, less an appropriate reserve for uncollectible amounts. Amounts expected to be received after one year are discounted using the appropriate risk-free rate. The Foundation does not require collateral in relation to these receivables.

Fair Value Measurement – Investments, surrender value of insurance policy, land held for resale, and land held for investment are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value determinations, other than those measured using the net asset value (“NAV”) as a practical expedient, are made based upon a hierarchy that prioritizes the inputs to valuation techniques. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements):

Level 1 – Inputs are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2 – Inputs include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specific (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable inputs in situations where there is little or no market activity for the asset or liability, and the reporting entity makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

The asset’s or liability’s fair value measurement level within the fair value hierarchy, is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.
Note 1—Nature of organization and summary of significant accounting policies (continued)

Realized and unrealized gains and losses are reflected in the statements of revenues, expenses, and changes in net position.

*Investments* – The Foundation’s investment policy allows for investments in domestic equities, international equities, fixed income and alternatives. For fixed income instruments, the Foundation’s investment policy allows for investment in domestic, global, U.S. inflation projected, U.S. high yield emerging market bonds, short term bonds, multi-sector bond, unconstrained bond and cash equivalents. For alternatives instruments, the Foundation’s investment policy allows for private equity, absolute return (hedge funds), real assets and commodities.

*Land Holdings* – Land holdings are capitalized at cost if purchased or at acquisition value at the time of contribution.

*Land Held for Resale or Held for Investment* – Land held for resale or land held for investment are recorded at estimated fair value.

*Gift Annuity Payable* – The Foundation is obligated under charitable gift annuity agreements. The obligations were calculated based on actuarial assumptions and the fair values at the dates of receipt. The Foundation has recorded an annuity payable equal to the present value of the total anticipated future payments to the beneficiaries.

*Deferred Inflows of Resources* – In addition to liabilities, the statements of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Foundation has one item that meets the criterion for this category related to gift annuity payments. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

*Income Taxes* – The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code as an organization described in section 501(c)(3). However, the Foundation is subject to income tax on unrelated business income. The Foundation is classified as an organization operated for the benefit of a college or university owned or operated by a governmental unit described in Section 170(b)(1)(A)(iv).

*Operating and Nonoperating Activities* – The Foundation’s operating income includes all revenues and expenses associated with the Foundation’s daily activities. Interest and net investment earnings are excluded from operating income and classified as nonoperating revenues. Contributions received for endowments or from state matching funds are also excluded from operating and nonoperating activities and are classified as endowment contributions.

*Revenue Recognition* – Contributions are recognized as increases in net position when pledged provided all eligibility requirements have been met, with the exception of pledges to the endowment which are recognized when received. Assets donated to the Foundation are recorded at their estimated acquisition value at the date of donation. Real estate donated for the advancement of the University is reported as Land Holdings pending sale or the transfer to the University. Revenues associated with irrevocable split-interest agreements are recognized when the resources become applicable to the reporting period.

*Estimates* – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures of assets, liabilities, and deferred inflow of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimated.
Note 1—Nature of organization and summary of significant accounting policies (continued)

Subsequent Events – Management has evaluated subsequent events through October 15, 2019, in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.

Note 2—Cash, cash equivalents, and investments

Deposits – Custodial credit risk is the risk that in the event of a bank failure, the Foundation’s deposits may not be returned to it. The Foundation’s policy regarding custodial credit risk is to hold non-invested cash in a financial institution covered by the Federal Deposit Insurance Corporation (“FDIC”) not exceeding the limit of FDIC Coverage. Non-invested cash in excess of FDIC coverage will be held in a certified Qualified Public Depository (QPD) as identified by the Florida Security for Public Deposits Act, Chapter 280, Florida Statute. At June 30, 2019 and 2018, the bank balances totaled $12,612,942 and $14,049,260, respectively. Of the bank balance, $492,163 and $943,465, respectively, were covered by federal depository insurance with the remainder collateralized under the Florida Security for Public Deposits Act. The Foundation also had cash held on deposit with investment managers at June 30, 2019 and 2018 totaling $439,882 and $1,047,974, respectively, of which $439,882 and $493,147, respectively, were covered by the Securities Investor Protection Corporation.

The Foundation has an account with the State Treasury Special Purpose Investment Account (“SPIA”). This account represents ownership of a share of the Florida Treasury Investment Pool, not the underlying securities. At June 30, 2019 and 2018, the Florida Treasury Investment Pool carried a credit rating of AA-f and A+f by Standard & Poor’s and had an effective duration of 2.71 and 3.00 years, respectively. At June 30, 2019 and 2018, the Foundation had cash equivalents of $5,896,972 and $5,761,883, respectively, with the SPIA.

Designated Cash – Starting July 2010, the Foundation board decided to annually designate a portion of unrestricted cash to a Scholarship Reserve. The Scholarship Reserve will be determined and approved as part of the annual operating budget. This reserve will be used at the Foundation’s discretion to support endowed scholarships that are unable to fund their annual allotment. At June 30, 2019 and 2018, the Scholarship Reserve was $1,462,130 and $1,166,180, respectively.
Note 2—Cash, cash equivalents, and investments (continued)

Investments consist of the following at June 30, 2019:

<table>
<thead>
<tr>
<th></th>
<th>Quoted Prices in Active Markets for Identical Assets (Level 1)</th>
<th>Significant Other Observable Inputs (Level 2)</th>
<th>Significant Unobservable Inputs (Level 3)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Investments by Fair Value Level:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Equity Investment:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>U.S. equities</td>
<td>$ 285,188</td>
<td>$ 285,188</td>
<td>$ -</td>
</tr>
<tr>
<td><strong>Mutual Funds:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>U.S. portfolio</td>
<td>22,112,859</td>
<td>22,112,859</td>
<td>-</td>
</tr>
<tr>
<td>International equities</td>
<td>20,373,567</td>
<td>20,373,567</td>
<td>-</td>
</tr>
<tr>
<td>Fixed income</td>
<td>12,240,580</td>
<td>12,240,580</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>54,727,006</td>
<td>54,727,006</td>
<td>-</td>
</tr>
<tr>
<td><strong>Fixed Income Investments:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mortgage-backed securities</td>
<td>919,351</td>
<td>-</td>
<td>919,351</td>
</tr>
<tr>
<td>Corporate bonds</td>
<td>7,025,473</td>
<td>-</td>
<td>7,025,473</td>
</tr>
<tr>
<td>Government obligations</td>
<td>3,201,180</td>
<td>-</td>
<td>3,201,180</td>
</tr>
<tr>
<td>Municipal bonds</td>
<td>4,980,271</td>
<td>-</td>
<td>4,980,271</td>
</tr>
<tr>
<td>U.S. treasury notes</td>
<td>1,676,092</td>
<td>-</td>
<td>1,676,092</td>
</tr>
<tr>
<td></td>
<td>17,802,367</td>
<td>-</td>
<td>17,802,367</td>
</tr>
<tr>
<td>Land held for investment</td>
<td>322,321</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Land held for resale</td>
<td>16,186</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Investments by Fair Value Level</strong></td>
<td>73,153,068</td>
<td>$ 55,012,194</td>
<td>$ 17,802,367</td>
</tr>
<tr>
<td><strong>Investments Measured at the NAV or its Equivalent:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Collective Investment Funds:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NT Common US Marketcap Index Fund</td>
<td>26,532,498</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>26,532,498</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Other Investments:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Real Assets</td>
<td>176,507</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surrender value of insurance policy</td>
<td>167,652</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private Equity</td>
<td>1,343,401</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,687,560</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Investments Measured at the NAV or its Equivalent</strong></td>
<td>28,220,058</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Investments measured at fair value</td>
<td>$ 101,373,126</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Note 2—Cash, cash equivalents, and investments (continued)

Investments consist of the following at June 30, 2018:

<table>
<thead>
<tr>
<th>Investments by Fair Value Level:</th>
<th>Fair Value Measurements Using</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Quoted Prices in Active Markets for Identical Assets (Level 1)</td>
</tr>
<tr>
<td>Equity Investment:</td>
<td>$ 261,015</td>
</tr>
<tr>
<td>U.S. equities</td>
<td>$ 261,015</td>
</tr>
<tr>
<td>Mutual Funds:</td>
<td>22,903,604</td>
</tr>
<tr>
<td>U.S. portfolio</td>
<td>19,970,613</td>
</tr>
<tr>
<td>International equities</td>
<td>10,755,029</td>
</tr>
<tr>
<td>Fixed income</td>
<td>53,629,246</td>
</tr>
<tr>
<td>Fixed Income Investments:</td>
<td>53,629,246</td>
</tr>
<tr>
<td>Mortgage-backed securities</td>
<td>751,760</td>
</tr>
<tr>
<td>Corporate bonds</td>
<td>7,533,849</td>
</tr>
<tr>
<td>Government obligations</td>
<td>2,890,969</td>
</tr>
<tr>
<td>Municipal bonds</td>
<td>4,172,381</td>
</tr>
<tr>
<td>U.S. treasury notes</td>
<td>1,085,175</td>
</tr>
<tr>
<td>Land held for investment</td>
<td>454,285</td>
</tr>
<tr>
<td>Land held for resale</td>
<td>16,186</td>
</tr>
<tr>
<td>Total Investments by Fair Value Level</td>
<td>70,794,866</td>
</tr>
<tr>
<td>Investments Measured at the NAV or its Equivalent:</td>
<td>24,330,065</td>
</tr>
<tr>
<td>Collective Investment Funds:</td>
<td>24,330,065</td>
</tr>
<tr>
<td>NT Common US Marketcap Index Fund</td>
<td>24,330,065</td>
</tr>
<tr>
<td>Other Investments:</td>
<td>239,809</td>
</tr>
<tr>
<td>Total Investments Measured at the NAV or its Equivalent</td>
<td>26,159,165</td>
</tr>
<tr>
<td>Total Investments measured at fair value</td>
<td>$ 96,954,031</td>
</tr>
</tbody>
</table>
Note 2—Cash, cash equivalents, and investments (continued)

*Fair Value Measurement* – Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified as Level 2 of the fair value hierarchy are valued using quoted prices for similar assets in active markets.

Other information for investments measured at the NAV or its equivalent follows:

### June 30, 2019

<table>
<thead>
<tr>
<th>Investment</th>
<th>Fair Value</th>
<th>Unfunded Commitments</th>
<th>Redemption Frequency (if Currently Eligible)</th>
<th>Redemption Notice Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>NT Common US Marketcap Index Fund</td>
<td>$26,532,498</td>
<td>$-</td>
<td>Daily</td>
<td>1 trade day</td>
</tr>
<tr>
<td>Real Assets</td>
<td>176,507</td>
<td>90,000</td>
<td>Not available</td>
<td>NA</td>
</tr>
<tr>
<td>Surrender value of insurance policy</td>
<td>167,652</td>
<td>-</td>
<td>Not available</td>
<td>NA</td>
</tr>
<tr>
<td>Private Equity</td>
<td>1,343,401</td>
<td>133,450</td>
<td>Not available</td>
<td>NA</td>
</tr>
<tr>
<td><strong>Total Investments Measured at the NAV or its Equivalent</strong></td>
<td>$28,220,058</td>
<td>$223,450</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### June 30, 2018

<table>
<thead>
<tr>
<th>Investment</th>
<th>Fair Value</th>
<th>Unfunded Commitments</th>
<th>Redemption Frequency (if Currently Eligible)</th>
<th>Redemption Notice Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>NT Common US Marketcap Index Fund</td>
<td>$24,330,065</td>
<td>$-</td>
<td>Daily</td>
<td>1 trade day</td>
</tr>
<tr>
<td>Real Assets</td>
<td>239,809</td>
<td>90,000</td>
<td>Not available</td>
<td>NA</td>
</tr>
<tr>
<td>Surrender value of insurance policy</td>
<td>119,624</td>
<td>-</td>
<td>Not available</td>
<td>NA</td>
</tr>
<tr>
<td>Private Equity</td>
<td>1,469,667</td>
<td>178,450</td>
<td>Not available</td>
<td>NA</td>
</tr>
<tr>
<td><strong>Total Investments Measured at the NAV or its Equivalent</strong></td>
<td>$26,159,165</td>
<td>$268,450</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Collective Investment Funds* – The primary objective of the Northern Trust ("NT") US Market Cap Index Fund is to approximate the risk and return characteristics of the Dow Jones US Total Stock Market Index. This Index is commonly used to represent the broad U.S. market.

*Real Assets* – This investment is in a partnership that invests in a diversified portfolio of private equity and real assets investment funds (underlying funds or private investment funds), which in turn have been established to invest in a broad range of private equity, real estate, energy, and other hard asset oriented investments.
Note 2—Cash, cash equivalents, and investments (continued)

**Surrender Value of Life Insurance** – These instruments are valued using the cash value provided by the administrator of the policy. The NAV is based on the value of the underlying assets owned by the policy, minus its liabilities. The NAV is excluded from the valuation hierarchy.

**Private Equity** – The investment within this segment invest in private equity funds in the venture capital, buyout, and capital restructuring sectors.

**Custodial Credit Risk** – The Foundation utilizes the services of an investment advisor and several investment managers to manage its portfolio.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Foundation will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party.

At June 30, 2019 and 2018 the Foundation’s collective investment fund investments were uninsured and unregistered, with securities held by the counterparty’s trust department or agent in the Foundation’s name.

The investment in mutual funds are not categorized as to custodial risk as they are not evidenced by securities that exist in physical or book entry form. These mutual funds are not rated by a nationally statistical rating organization.

There were no losses during the period due to default by counterparties to investment transactions.

**Interest Rate Risk** – Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

As of June 30, 2019, the maturities of the Foundation’s fixed income investments were as follows:

<table>
<thead>
<tr>
<th>Investment Type</th>
<th>Market Value</th>
<th>Less than 1 Year</th>
<th>1 - 5 Years</th>
<th>5 - 10 Years</th>
<th>Over 10 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mortgage-backed securities</td>
<td>$ 919,351</td>
<td>$ -</td>
<td>$ 382,145</td>
<td>$ 537,206</td>
<td>$ -</td>
</tr>
<tr>
<td>Corporate bonds</td>
<td>7,025,473</td>
<td>462,082</td>
<td>5,279,109</td>
<td>1,251,393</td>
<td>32,889</td>
</tr>
<tr>
<td>Government obligations</td>
<td>3,201,180</td>
<td>352,990</td>
<td>1,808,777</td>
<td>1,039,413</td>
<td>-</td>
</tr>
<tr>
<td>Municipal bonds</td>
<td>4,980,271</td>
<td>501,309</td>
<td>2,180,780</td>
<td>2,298,182</td>
<td>-</td>
</tr>
<tr>
<td>U.S. treasury notes</td>
<td>1,676,092</td>
<td>-</td>
<td>1,676,092</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Totals</td>
<td>$ 17,802,367</td>
<td>$ 1,316,381</td>
<td>$ 11,326,903</td>
<td>$ 5,126,194</td>
<td>$ 32,889</td>
</tr>
</tbody>
</table>
Note 2—Cash, cash equivalents, and investments (continued)

As of June 30, 2018, the maturities of the Foundation’s fixed income investments were as follows:

<table>
<thead>
<tr>
<th>Investment Type</th>
<th>Market Value</th>
<th>Less than 1 Year</th>
<th>1 - 5 Years</th>
<th>5 - 10 Years</th>
<th>Over 10 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mortgage-backed securities</td>
<td>$751,760</td>
<td>$23</td>
<td>$322,845</td>
<td>$428,892</td>
<td>$-</td>
</tr>
<tr>
<td>Corporate bonds</td>
<td>7,533,849</td>
<td>139,730</td>
<td>5,294,566</td>
<td>2,069,789</td>
<td>29,764</td>
</tr>
<tr>
<td>Government obligations</td>
<td>2,890,969</td>
<td>301,227</td>
<td>2,589,742</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Municipal bonds</td>
<td>4,172,381</td>
<td>318,185</td>
<td>2,038,909</td>
<td>1,815,287</td>
<td>-</td>
</tr>
<tr>
<td>U.S. treasury notes</td>
<td>1,085,175</td>
<td>-</td>
<td>1,085,175</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Totals</td>
<td>$16,434,134</td>
<td>$759,165</td>
<td>$11,331,237</td>
<td>$4,313,968</td>
<td>$29,764</td>
</tr>
</tbody>
</table>

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Foundation’s investment policy manages credit risk by limiting:

- A maximum equity holdings of 5% in any single company as a percentage of cost of the total equity portfolio.
- A maximum equity holdings of 15% in a single non-U.S. country as a percentage of market value of total equity portfolio.
- A maximum fixed income of 5% holdings in a single corporate issuer (excluding U.S. government and agencies) as a percentage of cost to total fixed income portfolio.

At June 30, 2019 and 2018, the Foundation’s fixed income investments were rated as follows:

<table>
<thead>
<tr>
<th>Rating</th>
<th>Number</th>
<th>Fair Value</th>
<th>% Bond Holdings</th>
</tr>
</thead>
<tbody>
<tr>
<td>AAA</td>
<td>43</td>
<td>$6,140,801</td>
<td>34.49%</td>
</tr>
<tr>
<td>AA</td>
<td>21</td>
<td>3,539,199</td>
<td>19.88%</td>
</tr>
<tr>
<td>A</td>
<td>61</td>
<td>7,763,979</td>
<td>43.62%</td>
</tr>
<tr>
<td>BBB</td>
<td>2</td>
<td>358,388</td>
<td>2.01%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$17,802,367</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Rating</th>
<th>Number</th>
<th>Fair Value</th>
<th>% Bond Holdings</th>
</tr>
</thead>
<tbody>
<tr>
<td>AAA</td>
<td>35</td>
<td>$4,902,218</td>
<td>29.83%</td>
</tr>
<tr>
<td>AA</td>
<td>25</td>
<td>3,603,096</td>
<td>21.92%</td>
</tr>
<tr>
<td>A</td>
<td>63</td>
<td>7,579,145</td>
<td>46.12%</td>
</tr>
<tr>
<td>BBB</td>
<td>2</td>
<td>349,675</td>
<td>2.13%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$16,434,134</td>
<td></td>
</tr>
</tbody>
</table>
Note 2—Cash, cash equivalents, and investments (continued)

Concentration of Credit Risk – The concentration of credit risk is the risk of loss that may be caused by the Foundation’s investment in a single issuer. The Foundation’s policy requires a maximum equity holdings of 5% in any single company as a percentage at cost of the total equity portfolio, a maximum equity holdings of 15% in a single non-U.S. country as a percentage at market value of total equity portfolio and a maximum fixed income of 5% holdings in a single corporate issuer (excluding U.S. government and agencies) as a percentage at cost of total fixed income portfolio.

Other Information – For management control, investments are pooled. Gains, losses, and investment income from the pool are allocated quarterly to the funds that participate in the pool based upon each fund’s average quarterly balance.

The Foundation assesses a management fee on all endowment funds for the purpose of funding the Foundation’s operating budget. Administrative fees assessed to the endowment funds totaled $1,347,923 or 1.5% for the year ended June 30, 2019 and $1,315,517 or 1.5% for the year ended June 30, 2018.

Note 3—Endowments

The Endowment Fund account balances (including cash balances) subject to the administrative fees are comprised as follows at June 30:

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eminent Scholars Program</td>
<td>$14,510,958</td>
<td>$14,334,507</td>
</tr>
<tr>
<td>Major Gifts Program</td>
<td>43,821,089</td>
<td>43,126,134</td>
</tr>
<tr>
<td>Other Endowment</td>
<td>36,215,530</td>
<td>33,736,139</td>
</tr>
<tr>
<td>Total Endowment Balance</td>
<td>$94,547,577</td>
<td>$91,196,780</td>
</tr>
</tbody>
</table>

The Foundation authorizes expenditures for the uses and purposes for which endowment funds were established.

The Foundation’s general spending calculation for eligible endowments is 4.0% of the average market balances on December 31 for each of the immediately preceding three years. The following displays the total ending endowment balances for nonexpendable endowments or donor-restricted endowments on June 30:

<table>
<thead>
<tr>
<th>Description</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Endowment Balance</td>
<td>$94,547,577</td>
<td>$91,196,780</td>
</tr>
<tr>
<td>Less Appreciation Portion Deemed Restricted Expendable</td>
<td>$17,976,947</td>
<td>$16,328,233</td>
</tr>
<tr>
<td>Total</td>
<td>$76,570,630</td>
<td>$74,868,547</td>
</tr>
</tbody>
</table>
Note 4—Pledges receivable

Present value of the June 30, 2019 pledges receivable was calculated using the U.S. Treasury risk free discount rate of 1.92% along with an allowance for doubtful amounts based on historical collection rates. Pledges receivable are expected to be received as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>$812,300</td>
</tr>
<tr>
<td>2021</td>
<td>$630,900</td>
</tr>
<tr>
<td>2022</td>
<td>$429,991</td>
</tr>
<tr>
<td>Thereafter</td>
<td>$615,900</td>
</tr>
<tr>
<td>Total pledges receivable</td>
<td>$2,489,091</td>
</tr>
</tbody>
</table>

Pledges receivable, net, are summarized as follows at June 30:

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total pledges receivable</td>
<td>2,489,091</td>
<td>2,188,282</td>
</tr>
<tr>
<td>Less allowance for doubtful amounts</td>
<td>(22,749)</td>
<td>(15,845)</td>
</tr>
<tr>
<td>Less discount on future payments</td>
<td>(105,674)</td>
<td>(98,414)</td>
</tr>
<tr>
<td>Long-term portion of pledges receivable</td>
<td>2,360,668</td>
<td>2,074,023</td>
</tr>
</tbody>
</table>

Note 5—Due from state of Florida – matching gifts program

The State University System Trust Fund for Major Gifts provides the opportunity for state universities to receive and match private gifts to endow: a) scholarships and fellowships, b) faculty positions such as eminent scholar chairs and professorships, and c) funds for library holdings and acquisitions. Based on the gift received, which must equal or exceed $100,000, the Foundation is eligible to receive 50% - 100% matching funds.

State matching pledges receivables are recorded when a donor commitment is fulfilled and matching funds have been appropriated by the state of Florida. As of June 30, 2019 and 2018, the Foundation submitted matching funds requests totaling $11,752,281 to the state of Florida. Due to the state of Florida’s current economic conditions, the legislature did not appropriate the matching funds for these requests. Therefore, the $11,752,281 has not been recorded in the financial statements. Although the state of Florida has not eliminated the matching gifts programs, it is currently unknown as to when the state will appropriate the matching funds.
Note 6—Land holdings

Land holdings activity for the years ended June 30, 2019 and 2018 were as follows:

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th></th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Beginning Balance</td>
<td>Increase</td>
<td>Decrease</td>
</tr>
<tr>
<td>Land held for resale</td>
<td>$16,186</td>
<td>$-</td>
<td>$-</td>
</tr>
<tr>
<td>Land held for investment</td>
<td>$454,285</td>
<td>$-</td>
<td>$131,964</td>
</tr>
<tr>
<td>Land holdings</td>
<td>$11,693,500</td>
<td>$-</td>
<td>$-</td>
</tr>
<tr>
<td></td>
<td>2018</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land held for resale</td>
<td>$16,186</td>
<td>$-</td>
<td>$-</td>
</tr>
<tr>
<td>Land held for investment (as restated)</td>
<td>$725,553</td>
<td>$-</td>
<td>$271,268</td>
</tr>
<tr>
<td>Land holdings</td>
<td>$11,693,500</td>
<td>$-</td>
<td>$-</td>
</tr>
</tbody>
</table>

On September 15, 2005, the Foundation received land valued at $435,000. The land was a potential site for Florida Gulf Coast University in Charlotte County. However, in fiscal 2016, it was decided that this property will not be used for the original intended purpose and was reclassified to land held for resale. An impairment loss of $418,814 was recognized due to the change in use of this property. On June 30, 2019 and 2018, the carrying value of the Charlotte County land is $16,186.

On March 22, 2005, the Foundation received a contribution of land valued at $106,000. The land is used by the College of Arts and Sciences for the environmental studies programs.

On July 5, 2007, the Foundation executed a bargain purchase for waterfront property in Bonita Springs. This property is now the home of the Florida Gulf Coast University Vester Marine Science and Environmental Education Center. The property, valued at $3,887,500, was purchased for $2,870,000, resulting in a donation of $1,017,500. The purchase of this property was financed with a $3,000,000 loan from Northern Trust Bank (see Note 7).

On May 27, 2014, the Foundation received land valued at $7,700,000. Located north of the University’s main campus. The land will be used for the University’s future expansion needs. Included with this land is a reverter clause that prohibits the sale of the land within 20 years.
Note 6—Land holdings (continued)

On January 19, 2017, the Foundation reacquired ownership to 215 acres of mining land that was originally donated to the Foundation in 1994 and subsequently sold to a third party. The Foundation receives royalties from the mining sales on the property through a lease agreement with an external party. The value of the property is deemed to be the estimated future royalty revenue and is listed as land held for investment on the statement of net position. The Foundation maintains commercial general liability insurance on the property while the lessee is responsible for liabilities associated with the mining operations. The lessee bears the responsibility of environmental remediation after the mined resources are depleted. At June 30, 2019 and 2018, the estimated value of the land held for investment was $322,321 and $454,285, respectively.

Note 7—Loans payable

On July 27, 2007, the Foundation secured a $3,000,000 five-year loan from Northern Trust Bank at a fixed rate of 4.28% to purchase the Florida Gulf Coast University Vester Marine Science and Environmental Education Center property in Bonita Springs. On December 15, 2012, the Foundation renewed this loan into a five-year variable interest rate loan which includes an annual principal payment of $150,000. In October 2017, the Foundation used unrestricted cash to pay off the $2,250,000 loan balance. The Foundation currently has a lease agreement with the University whereby the University pays the Foundation a lease payment of $32,000 a month for the use of this waterfront property. This lease is cancelable at any time with 30 days’ notice. The monthly lease payment is used to cover all expenses of owning the property including but not limited to: principal repayments, insurance, utilities, landscaping, and general maintenance.

A summary of changes in loans payable for fiscal year ended June 30, 2018 is as follows:

<table>
<thead>
<tr>
<th>Loans payable</th>
<th>June 30, 2017</th>
<th>Increase</th>
<th>Decrease</th>
<th>June 30, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>$2,250,000</td>
<td>$</td>
<td>$2,250,000</td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

Note 8—Operating leases

The Foundation leases facilities in Naples, Florida. Lease expense for the facilities for the fiscal years ended June 30, 2019 and 2018 were $196,635 and $191,839, respectively. The lease expires on March 31, 2020 with future scheduled lease payments totaling $133,257.
FLORIDA GULF COAST UNIVERSITY FOUNDATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

Note 9—Annuities payable

The Foundation manages charitable gift annuities. These annuities are irrevocable split-interest agreements where the Foundation is the remainder interest beneficiary that makes quarterly distributions to the annuitant. GASB Statement No. 81 established financial reporting standards for irrevocable split-interest to include assets, liabilities, and deferred inflows of resources. The asset is the market value of resources received; the liability is the present value of future payments to annuitants; the deferred inflow of resources is the difference between the asset and the liability.

GASB Statement No. 81 requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize and report assets, liabilities, and deferred inflows of resources. On June 30, 2019 and 2018, the deferred inflows of resources related to gift annuities was $1,041,744 and $977,641, respectively.

A summary of changes in annuities payable is as follows:

<table>
<thead>
<tr>
<th></th>
<th>June 30, 2018</th>
<th>Increase</th>
<th>Decrease</th>
<th>June 30, 2019</th>
<th>Current Portion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annuities payable</td>
<td>$540,669</td>
<td>$29,345</td>
<td>$31,973</td>
<td>$538,041</td>
<td>$82,172</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annuities payable</td>
<td>$528,373</td>
<td>$43,034</td>
<td>$30,738</td>
<td>$540,669</td>
<td>$79,307</td>
</tr>
</tbody>
</table>

Note 10—Related party transactions

The Foundation maintains a portion of its investments with Northern Trust Bank. A Foundation board member was an officer of Northern Trust Bank during the fiscal years ended June 30, 2019 and 2018. The Foundation’s investments managed by Northern Trust Bank at June 30, 2019 and 2018 totaled $26,604,337 and $24,431,131, respectively. The Foundation had no outstanding loans with Northern Trust Bank at June 30, 2019 and 2018, and incurred $19,971 in interest expense during the fiscal year ended June 30, 2018 for the loan that was repaid in October 2017.

The Foundation maintains a portion of its fixed income investments with Wasmer, Schroeder & Company, Inc. A Foundation board member was an officer of Wasmer, Schroeder & Company, Inc. during the fiscal years ended June 30, 2019 and 2018. The Foundation’s investments managed by Wasmer, Schroeder & Company, Inc. at June 30, 2019 and 2018 totaled $12,824,791 and $12,590,412, respectively.

The Foundation has a lease agreement with the University whereby the University pays the Foundation a lease payment of $32,000 a month for the use of the waterfront property in Bonita Springs. The monthly lease payment is used to cover all the expenses of owning the Florida Gulf Coast University Vester Marine Science and Environmental Education Center.

For the years ended June 30, 2019 and 2018, the Foundation received payments from the University totaling $200,520 and $195,765, respectively, for reimbursable costs, associated with the operating lease (Note 8), incurred by the Foundation.

The Foundation’s operating bank account is held with Fifth Third Bank. A Foundation board member was an officer of Fifth Third Bank during the fiscal years ended June 30, 2019 and 2018. On June 30, 2019 and 2018, the Foundation had $12,370,779 and $12,595,242, respectively, on deposit at Fifth Third Bank.
FLORIDA GULF COAST UNIVERSITY FOUNDATION, INC.
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2019 AND 2018

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Note 11—Risk management

The Foundation is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; and natural disasters. The Foundation carries commercial insurance for the risks of loss. There were no significant reductions in insurance coverage from the prior year, and there have been no settlements that exceed the Foundation’s insurance coverage during the past three years.

Note 12—Contingencies

The Foundation participates in state assisted grant programs that are subject to review and audit by the grantor agencies. Entitlement to these resources is generally conditional upon compliance with the terms and conditions of the grant agreements and applicable state regulations. Any disallowance resulting from a regulatory audit may become a liability of the Foundation. Liabilities, if any, from such audits, if any, will be recorded when the amounts of such liabilities become reasonably determinable.
SUPPLEMENTARY INFORMATION
FLORIDA GULF COAST UNIVERSITY FOUNDATION, INC.
EMINENT SCHOLARS PROGRAM
SCHEDULES OF RECEIPTS, EXPENDITURES, AND ENDOWMENT BALANCES
YEARS ENDED JUNE 30, 2019 AND 2018

<table>
<thead>
<tr>
<th>Cash Contributions/Net Investments</th>
<th>Ending Corpus</th>
<th>Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Beginning Corpus Balance</th>
<th>Beginning Contributions/State Match Received</th>
<th>Net Earnings</th>
<th>Expenditures</th>
<th>Ending Corpus</th>
<th>Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 1, 2018</td>
<td>July 1, 2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alico Endowed Chairs</td>
<td>$2,105,512</td>
<td>$3,906,024</td>
<td></td>
<td>$196,753</td>
<td>$151,000</td>
</tr>
<tr>
<td>Backe Endowed Chair</td>
<td>$1,000,001</td>
<td>$1,281,662</td>
<td></td>
<td>$64,445</td>
<td>$49,400</td>
</tr>
<tr>
<td>Davis Endowed Chair</td>
<td>$1,067,270</td>
<td>$1,461,059</td>
<td></td>
<td>$74,017</td>
<td>$54,900</td>
</tr>
<tr>
<td>Moorings Park Endowed Chair</td>
<td>$1,020,000</td>
<td>$1,446,147</td>
<td></td>
<td>$73,411</td>
<td>$54,500</td>
</tr>
<tr>
<td>Southwest Florida Nursing Endowed Chair</td>
<td>$1,144,768</td>
<td>$2,549,850</td>
<td></td>
<td>$129,639</td>
<td>$96,200</td>
</tr>
<tr>
<td>Sproul Endowed Chair</td>
<td>$600,000</td>
<td>$788,094</td>
<td></td>
<td>$39,704</td>
<td>$30,200</td>
</tr>
<tr>
<td>Uncommon Friends Endowed Chair</td>
<td>$1,020,000</td>
<td>$1,305,691</td>
<td></td>
<td>$65,981</td>
<td>$49,800</td>
</tr>
<tr>
<td>Whitaker Endowed Chair</td>
<td>$1,022,000</td>
<td>$1,595,980</td>
<td></td>
<td>$80,201</td>
<td>$61,700</td>
</tr>
<tr>
<td></td>
<td>$8,979,551</td>
<td>$14,334,507</td>
<td></td>
<td>$724,151</td>
<td>$547,700</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Beginning Corpus Balance</th>
<th>Beginning Contributions/State Match Received</th>
<th>Net Earnings</th>
<th>Expenditures</th>
<th>Ending Corpus</th>
<th>Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 1, 2017</td>
<td>July 1, 2017</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alico Endowed Chairs</td>
<td>$2,105,512</td>
<td>$3,800,244</td>
<td></td>
<td>$237,289</td>
<td>$131,509</td>
</tr>
<tr>
<td>Backe Endowed Chair</td>
<td>$1,000,001</td>
<td>$1,248,988</td>
<td></td>
<td>$77,851</td>
<td>$45,177</td>
</tr>
<tr>
<td>Davis Endowed Chair</td>
<td>$1,067,270</td>
<td>$1,415,744</td>
<td></td>
<td>$88,156</td>
<td>$42,841</td>
</tr>
<tr>
<td>Moorings Park Endowed Chair</td>
<td>$1,020,000</td>
<td>$1,391,066</td>
<td></td>
<td>$86,810</td>
<td>$31,729</td>
</tr>
<tr>
<td>Southwest Florida Nursing Endowed Chair</td>
<td>$1,144,768</td>
<td>$2,415,950</td>
<td></td>
<td>$150,948</td>
<td>$17,048</td>
</tr>
<tr>
<td>Sproul Endowed Chair</td>
<td>$600,000</td>
<td>$769,909</td>
<td></td>
<td>$48,185</td>
<td>$30,000</td>
</tr>
<tr>
<td>Uncommon Friends Endowed Chair</td>
<td>$1,020,000</td>
<td>$1,269,501</td>
<td></td>
<td>$78,983</td>
<td>$42,793</td>
</tr>
<tr>
<td>Whitaker Endowed Chair</td>
<td>$1,022,000</td>
<td>$1,559,998</td>
<td></td>
<td>$97,234</td>
<td>$61,252</td>
</tr>
<tr>
<td></td>
<td>$8,979,551</td>
<td>$13,871,400</td>
<td></td>
<td>$865,456</td>
<td>$402,349</td>
</tr>
</tbody>
</table>
# FLORIDA GULF COAST UNIVERSITY FOUNDATION, INC.
## MAJOR GIFTS PROGRAM
### SCHEDULES OF RECEIPTS, EXPENDITURES, AND ENDOWMENT BALANCES

**YEAR ENDED JUNE 30, 2019**

<table>
<thead>
<tr>
<th>Name of Major Gift</th>
<th>Beginning Corpus July 1, 2018</th>
<th>Beginning Balance July 1, 2018</th>
<th>Contributions/State Match Received</th>
<th>Net Investments Earnings</th>
<th>Expenditures</th>
<th>Ending Corpus June 30, 2019</th>
<th>Ending Balance June 30, 2019</th>
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<td>Abernathy Kiwanis</td>
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<td>-</td>
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<td>17,000</td>
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### FLORIDA GULF COAST UNIVERSITY FOUNDATION, INC.
### MAJOR GIFTS PROGRAM
### SCHEDULES OF RECEIPTS, EXPENDITURES, AND ENDOWMENT BALANCES (CONTINUED)

**YEAR ENDED JUNE 30, 2019**

<table>
<thead>
<tr>
<th>Name of Major Gift</th>
<th>Beginning Corpus Balance July 1, 2018</th>
<th>Beginning Balance July 1, 2018</th>
<th>Cash Contributions/State Match Received</th>
<th>Net Investments Earnings</th>
<th>Cash Expenditures</th>
<th>Ending Corpus Balance June 30, 2019</th>
<th>Ending Balance June 30, 2019</th>
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<tbody>
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<td>5,498,049</td>
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<td>6,800</td>
<td>150,000</td>
<td>178,892</td>
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<td>Kleman</td>
<td>200,000</td>
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<td>-</td>
<td>11,798</td>
<td>9,000</td>
<td>200,000</td>
<td>237,082</td>
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<td>173,334</td>
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<td>7,700</td>
<td>173,334</td>
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<td>2,400</td>
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<td>294,914</td>
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<td>40,600</td>
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<td>535,500</td>
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<td>11,574</td>
<td>8,700</td>
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<td>-</td>
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<td>8,500</td>
<td>216,588</td>
<td>264,379</td>
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<td>-</td>
<td>22,304</td>
<td>16,900</td>
<td>368,611</td>
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FLORIDA GULF COAST UNIVERSITY FOUNDATION, INC.
MAJOR GIFTS PROGRAM
SCHEDULES OF RECEIPTS, EXPENDITURES, AND ENDOWMENT BALANCES (CONTINUED)

YEAR ENDED JUNE 30, 2019

<table>
<thead>
<tr>
<th>Name of Major Gift</th>
<th>Beginning Corpus July 1, 2018</th>
<th>Beginning Balance July 1, 2018</th>
<th>Cash Contributions/State Match Received</th>
<th>Net Investments Earnings</th>
<th>Net Expenditures</th>
<th>Ending Corpus June 30, 2019</th>
<th>Ending Balance June 30, 2019</th>
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<td>4,700</td>
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<td>9,122</td>
<td>6,900</td>
<td>150,050</td>
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| Total                     | $36,428,927                 | $43,126,134                   | $100,486                               | $2,196,519               | $1,602,050       | $36,529,413                 | $43,821,089                 |
## FLORIDA GULF COAST UNIVERSITY FOUNDATION, INC.
### MAJOR GIFTS PROGRAM
### SCHEDULES OF RECEIPTS, EXPENDITURES, AND ENDOWMENT BALANCES

**YEAR ENDED JUNE 30, 2018**

<table>
<thead>
<tr>
<th>Name of Major Gift</th>
<th>Beginning Corpus July 1, 2017</th>
<th>Beginning Balance July 1, 2017</th>
<th>Cash Contributions/State Match Received</th>
<th>Net Investments Earnings</th>
<th>Expenditures</th>
<th>Ending Corpus June 30, 2018</th>
<th>Ending Balance June 30, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abernathy Kiwanis</td>
<td>$100,000</td>
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<td>$6,922</td>
<td>$4,300</td>
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<td>$98,527</td>
<td>$61,500</td>
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<td>600,000</td>
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<td>7,100</td>
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<td>19,407</td>
<td>12,200</td>
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<td>166,838</td>
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<td>7,800</td>
<td>175,000</td>
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<tr>
<td>Cobb</td>
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<td>10,100</td>
<td>225,000</td>
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<tr>
<td>Collier</td>
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<td>32,636</td>
<td>20,400</td>
<td>382,000</td>
<td>534,914</td>
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<td>3,004,987</td>
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<td>1,244,377</td>
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<td>214,043</td>
<td>434,650</td>
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<td>Embassy</td>
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<td>182,713</td>
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<td>7,100</td>
<td>150,082</td>
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<tr>
<td>Faith</td>
<td>541,070</td>
<td>617,018</td>
<td>$-</td>
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<td>18,200</td>
<td>541,070</td>
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<td>4,800</td>
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<td>434,587</td>
<td>$-</td>
<td>27,166</td>
<td>14,900</td>
<td>387,500</td>
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<td>219,213</td>
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<td>390</td>
<td>19,249</td>
<td>12,077</td>
<td>219,213</td>
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<td>Howard</td>
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<td>783,086</td>
<td>$-</td>
<td>48,922</td>
<td>19,000</td>
<td>700,000</td>
<td>813,008</td>
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<td>$-</td>
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<td>9,800</td>
<td>225,034</td>
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<td>Name of Major Gift</td>
<td>Beginning Corpus July 1, 2017</td>
<td>Beginning Balance July 1, 2017</td>
<td>Contributions/State Match Received</td>
<td>Net Investments Earnings</td>
<td>Expenditures</td>
<td>Ending Corpus June 30, 2018</td>
<td>Ending Balance June 30, 2018</td>
</tr>
<tr>
<td>-------------------</td>
<td>-----------------------------</td>
<td>-------------------------------</td>
<td>-----------------------------------</td>
<td>--------------------------</td>
<td>-------------</td>
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<td>$4,580,886</td>
<td>$5,373,412</td>
<td>$ -</td>
<td>$335,637</td>
<td>$211,000</td>
<td>$4,580,886</td>
<td>$5,498,049</td>
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<td>-</td>
<td>10,792</td>
<td>6,800</td>
<td>150,000</td>
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<td>Kleman</td>
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<td>228,882</td>
<td>-</td>
<td>14,302</td>
<td>8,900</td>
<td>200,000</td>
<td>234,284</td>
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<td>173,334</td>
<td>200,399</td>
<td>-</td>
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<td>7,600</td>
<td>173,334</td>
<td>205,335</td>
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<tr>
<td>Lester</td>
<td>57,750</td>
<td>61,522</td>
<td>-</td>
<td>3,840</td>
<td>900</td>
<td>57,750</td>
<td>64,462</td>
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<td>227,159</td>
<td>282,264</td>
<td>-</td>
<td>17,618</td>
<td>8,409</td>
<td>227,159</td>
<td>291,473</td>
</tr>
<tr>
<td>Liebert #2</td>
<td>90,911</td>
<td>104,709</td>
<td>-</td>
<td>6,540</td>
<td>4,000</td>
<td>90,911</td>
<td>107,249</td>
</tr>
<tr>
<td>Lucas</td>
<td>4,000,252</td>
<td>4,627,235</td>
<td>-</td>
<td>288,469</td>
<td>176,095</td>
<td>4,000,252</td>
<td>4,739,609</td>
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<tr>
<td>Lutgert</td>
<td>150,000</td>
<td>218,097</td>
<td>-</td>
<td>13,632</td>
<td>-</td>
<td>150,000</td>
<td>231,729</td>
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<td>Lutgert College Of Business</td>
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<td>1,020,267</td>
<td>-</td>
<td>63,773</td>
<td>38,298</td>
<td>853,896</td>
<td>1,045,742</td>
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<td>4,001,000</td>
<td>4,433,045</td>
<td>-</td>
<td>276,937</td>
<td>174,300</td>
<td>4,001,000</td>
<td>4,535,682</td>
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<td>276,958</td>
<td>-</td>
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<td>3,200</td>
<td>240,000</td>
<td>291,080</td>
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<td>Meftah</td>
<td>535,500</td>
<td>612,134</td>
<td>-</td>
<td>38,236</td>
<td>19,100</td>
<td>535,500</td>
<td>631,270</td>
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<td>Moorings Park</td>
<td>176,724</td>
<td>203,669</td>
<td>-</td>
<td>12,721</td>
<td>7,000</td>
<td>176,724</td>
<td>209,390</td>
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<td>Nason</td>
<td>100,000</td>
<td>115,536</td>
<td>-</td>
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<td>4,500</td>
<td>100,000</td>
<td>118,240</td>
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<td>223,262</td>
<td>-</td>
<td>13,909</td>
<td>7,500</td>
<td>150,000</td>
<td>229,671</td>
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<td>O'Bannon</td>
<td>216,588</td>
<td>251,965</td>
<td>-</td>
<td>15,748</td>
<td>7,700</td>
<td>216,588</td>
<td>260,013</td>
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<td>Oulton</td>
<td>368,611</td>
<td>430,923</td>
<td>-</td>
<td>26,911</td>
<td>16,800</td>
<td>368,611</td>
<td>441,034</td>
</tr>
<tr>
<td>Perry</td>
<td>242,350</td>
<td>268,605</td>
<td>-</td>
<td>16,782</td>
<td>10,600</td>
<td>242,350</td>
<td>274,787</td>
</tr>
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<td>Rockin' Christmas</td>
<td>100,400</td>
<td>114,913</td>
<td>-</td>
<td>7,181</td>
<td>4,400</td>
<td>100,400</td>
<td>117,694</td>
</tr>
<tr>
<td>Rogaski</td>
<td>150,000</td>
<td>169,975</td>
<td>-</td>
<td>10,616</td>
<td>6,600</td>
<td>150,000</td>
<td>173,991</td>
</tr>
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</table>
### FLORIDA GULF COAST UNIVERSITY FOUNDATION, INC.
### MAJOR GIFTS PROGRAM
### SCHEDULES OF RECEIPTS, EXPENDITURES, AND ENDOWMENT BALANCES (CONTINUED)

#### YEAR ENDED JUNE 30, 2018

<table>
<thead>
<tr>
<th>Name of Major Gift</th>
<th>Beginning Corpus Balance July 1, 2017</th>
<th>Beginning State Match Balance July 1, 2017</th>
<th>Contributions/State Match Received</th>
<th>Net Investments Earnings</th>
<th>Expenditures</th>
<th>Ending Corpus Balance June 30, 2018</th>
<th>Ending Balance June 30, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schoen Foundation</td>
<td>$455,276</td>
<td>$505,699</td>
<td>$100,000</td>
<td>$31,243</td>
<td>$15,700</td>
<td>$555,276</td>
<td>$621,242</td>
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<td>Siebert</td>
<td>317,411</td>
<td>356,053</td>
<td>-</td>
<td>22,232</td>
<td>13,800</td>
<td>317,411</td>
<td>364,485</td>
</tr>
<tr>
<td>Slocum</td>
<td>105,000</td>
<td>120,989</td>
<td>-</td>
<td>7,556</td>
<td>4,700</td>
<td>105,000</td>
<td>123,485</td>
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<td>Stranahan</td>
<td>209,545</td>
<td>277,436</td>
<td>-</td>
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<td>10,800</td>
<td>209,545</td>
<td>283,975</td>
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<td>Sulick</td>
<td>150,050</td>
<td>176,421</td>
<td>-</td>
<td>11,018</td>
<td>6,900</td>
<td>150,050</td>
<td>180,539</td>
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<td>SWFL Wine &amp; Food</td>
<td>150,000</td>
<td>172,056</td>
<td>-</td>
<td>10,746</td>
<td>6,700</td>
<td>150,000</td>
<td>176,102</td>
</tr>
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<td>Tier Electric</td>
<td>100,000</td>
<td>109,589</td>
<td>-</td>
<td>6,843</td>
<td>3,600</td>
<td>100,000</td>
<td>112,832</td>
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<td>Vitelli</td>
<td>1,273,006</td>
<td>1,314,974</td>
<td>-</td>
<td>82,181</td>
<td>13,300</td>
<td>1,273,006</td>
<td>1,383,855</td>
</tr>
<tr>
<td>von Arx</td>
<td>250,000</td>
<td>343,555</td>
<td>-</td>
<td>21,055</td>
<td>13,200</td>
<td>250,000</td>
<td>351,410</td>
</tr>
<tr>
<td>W. Thomas Howard</td>
<td>188,249</td>
<td>272,997</td>
<td>-</td>
<td>17,064</td>
<td>-</td>
<td>188,249</td>
<td>290,061</td>
</tr>
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<td>Wells Fargo</td>
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<td>-</td>
<td>10,501</td>
<td>6,500</td>
<td>150,000</td>
<td>172,138</td>
</tr>
<tr>
<td>Williams</td>
<td>100,000</td>
<td>119,980</td>
<td>-</td>
<td>7,493</td>
<td>4,500</td>
<td>100,000</td>
<td>122,973</td>
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<td>Zepcevski</td>
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<td>-</td>
<td>18,376</td>
<td>11,500</td>
<td>250,000</td>
<td>301,104</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$36,266,837</strong></td>
<td><strong>$41,834,427</strong></td>
<td><strong>$162,090</strong></td>
<td><strong>$2,610,249</strong></td>
<td><strong>$1,480,632</strong></td>
<td><strong>$36,428,927</strong></td>
<td><strong>$43,126,134</strong></td>
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</table>
## FLORIDA GULF COAST UNIVERSITY FOUNDATION, INC.  
### SCHEDULE OF NET POSITION BY ACCOUNT TYPE  
#### YEAR ENDED JUNE 30, 2019

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Restricted</th>
<th>Endowment</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current Assets:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
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<td>$10,681,010</td>
<td>$334,387</td>
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<td>-</td>
<td>836,723</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>5,750</td>
<td>-</td>
<td>-</td>
<td>5,750</td>
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<td>Prepaid expenses</td>
<td>76,929</td>
<td>24,606</td>
<td>-</td>
<td>101,535</td>
</tr>
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<td>17,400</td>
<td>794,900</td>
<td>-</td>
<td>812,300</td>
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<tr>
<td>Royalties receivable</td>
<td>10,705</td>
<td>-</td>
<td>-</td>
<td>10,705</td>
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<tr>
<td><strong>Total Current Assets</strong></td>
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<td>11,500,516</td>
<td>334,387</td>
<td>21,073,775</td>
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<td><strong>Noncurrent Assets:</strong></td>
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<td>Restricted investments</td>
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<td>94,213,190</td>
<td>100,030,244</td>
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<td>-</td>
<td>1,548,368</td>
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<td>-</td>
<td>167,652</td>
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<td>Land held for investment</td>
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<td>-</td>
<td>322,321</td>
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<tr>
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<td>16,186</td>
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<td><strong>Current Liabilities:</strong></td>
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<tr>
<td>Accounts payable</td>
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</tr>
<tr>
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<td>-</td>
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<td>-</td>
<td>82,172</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
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<td>176,822</td>
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<td>199,937</td>
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<tr>
<td><strong>Noncurrent Liabilities:</strong></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>Gift annuities payable, net of current portion</td>
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<td>-</td>
<td>455,869</td>
</tr>
<tr>
<td><strong>Total Noncurrent Liabilities</strong></td>
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<td>-</td>
<td>455,869</td>
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<tr>
<td><strong>Total Liabilities</strong></td>
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<td>632,691</td>
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<td><strong>DEFERRED INFLOWS OF RESOURCES</strong></td>
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<td>Gift annuities</td>
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</tr>
<tr>
<td>Restricted:</td>
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</tr>
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<td>-</td>
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<td><strong>Total Net Position</strong></td>
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</table>
# Florida Gulf Coast University Foundation, Inc.

## Schedule of Net Position by Account Type

**Year Ended June 30, 2018**

<table>
<thead>
<tr>
<th>Assets</th>
<th>Unrestricted (Restated)</th>
<th>Restricted (Restated)</th>
<th>Endowment (Restated)</th>
<th>Total (Restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Assets:</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
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<td>Accounts receivable</td>
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<td>-</td>
<td>7,249</td>
</tr>
<tr>
<td>Prepaid expenses</td>
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<td>15,720</td>
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<td>27,144</td>
</tr>
<tr>
<td>Pledges receivable</td>
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<td>845,437</td>
<td>-</td>
<td>867,437</td>
</tr>
<tr>
<td>Royalties receivable</td>
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<td>-</td>
<td>-</td>
<td>64,236</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
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<td>11,873,978</td>
<td>958,874</td>
<td>23,567,756</td>
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<tr>
<td>Noncurrent Assets:</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted investments</td>
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<tr>
<td>Prepaid expenses, net of current portion</td>
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<tr>
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<td>1,206,586</td>
<td>-</td>
<td>1,206,586</td>
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<tr>
<td>Surrender value of insurance policy</td>
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<td>-</td>
<td>119,624</td>
</tr>
<tr>
<td>Land held for investment</td>
<td>454,285</td>
<td>-</td>
<td>-</td>
<td>454,285</td>
</tr>
<tr>
<td>Land held for resale</td>
<td>-</td>
<td>16,186</td>
<td>-</td>
<td>16,186</td>
</tr>
<tr>
<td>Land holdings</td>
<td>-</td>
<td>11,693,500</td>
<td>-</td>
<td>11,693,500</td>
</tr>
<tr>
<td><strong>Total Noncurrent Assets</strong></td>
<td>460,525</td>
<td>17,261,863</td>
<td>90,237,906</td>
<td>107,960,294</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>11,195,429</td>
<td>29,135,841</td>
<td>91,196,780</td>
<td>131,528,050</td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Liabilities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>17,198</td>
<td>45,214</td>
<td>-</td>
<td>62,412</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td>17,198</td>
<td>124,521</td>
<td>-</td>
<td>141,719</td>
</tr>
<tr>
<td>Noncurrent Liabilities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gift annuities payable, net of current portion</td>
<td>-</td>
<td>461,362</td>
<td>-</td>
<td>461,362</td>
</tr>
<tr>
<td><strong>Total Noncurrent Liabilities</strong></td>
<td>-</td>
<td>461,362</td>
<td>-</td>
<td>461,362</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>17,198</td>
<td>585,883</td>
<td>-</td>
<td>603,081</td>
</tr>
</tbody>
</table>

## Deferred Inflows of Resources

- **Gift annuities**: $977,641

## Net Position

### Restricted

- **Expendable**: $27,572,317
- **Nonexpendable endowments**: $74,868,547
- **Unrestricted**: $11,178,231

### Total Net Position

- **Restricted**: $11,178,231
- **Expendable**: $27,572,317
- **Nonexpendable endowments**: $91,196,780
- **Unrestricted**: $129,947,328
## FLORIDA GULF COAST UNIVERSITY FOUNDATION, INC.
### SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
#### BY ACCOUNT TYPE

**YEAR ENDED JUNE 30, 2019**

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Restricted</th>
<th>Endowment</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>$618,258</td>
<td>$11,413,346</td>
<td>-</td>
<td>$12,031,604</td>
</tr>
<tr>
<td>Other income</td>
<td>868,904</td>
<td>2,360,972</td>
<td>-</td>
<td>3,229,876</td>
</tr>
<tr>
<td><strong>Total Operating Revenues</strong></td>
<td>1,487,162</td>
<td>13,774,318</td>
<td>-</td>
<td>15,261,480</td>
</tr>
<tr>
<td><strong>Operating Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program Services:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program fees</td>
<td>94,179</td>
<td>4,100,429</td>
<td>-</td>
<td>4,194,608</td>
</tr>
<tr>
<td>Scholarships</td>
<td>1,300</td>
<td>3,761,727</td>
<td>-</td>
<td>3,763,027</td>
</tr>
<tr>
<td>University support</td>
<td>3,277,044</td>
<td>6,727,312</td>
<td>-</td>
<td>10,004,356</td>
</tr>
<tr>
<td>General and administrative expenses</td>
<td>2,089,706</td>
<td>-</td>
<td>-</td>
<td>2,089,706</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>5,462,229</td>
<td>14,589,468</td>
<td>-</td>
<td>20,051,697</td>
</tr>
<tr>
<td><strong>Operating loss</strong></td>
<td>(3,986,491)</td>
<td>(830,870)</td>
<td>-</td>
<td>(4,817,361)</td>
</tr>
<tr>
<td><strong>Nonoperating Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest earnings</td>
<td>477,402</td>
<td>8,730</td>
<td>-</td>
<td>486,132</td>
</tr>
<tr>
<td>Net investment earnings</td>
<td>(7,420)</td>
<td>353,785</td>
<td>6,176,900</td>
<td>6,523,265</td>
</tr>
<tr>
<td><strong>Total Nonoperating Revenues</strong></td>
<td>469,982</td>
<td>362,515</td>
<td>6,176,900</td>
<td>7,009,397</td>
</tr>
<tr>
<td><strong>(Loss) Income before endowment contributions</strong></td>
<td>(3,516,509)</td>
<td>(468,355)</td>
<td>6,176,900</td>
<td>2,192,036</td>
</tr>
<tr>
<td><strong>Endowment Contributions</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions to endowments</td>
<td>-</td>
<td>-</td>
<td>1,049,802</td>
<td>1,049,802</td>
</tr>
<tr>
<td><strong>Change in net position</strong></td>
<td>(3,516,509)</td>
<td>(468,355)</td>
<td>7,226,702</td>
<td>3,241,838</td>
</tr>
<tr>
<td>Transfers</td>
<td>1,876,836</td>
<td>1,999,069</td>
<td>(3,875,905)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net position, beginning of year</strong></td>
<td>11,178,231</td>
<td>27,572,317</td>
<td>91,196,780</td>
<td>129,947,328</td>
</tr>
<tr>
<td><strong>Net position, end of year</strong></td>
<td>$9,538,558</td>
<td>$29,103,031</td>
<td>$94,547,577</td>
<td>$133,189,166</td>
</tr>
</tbody>
</table>
FLORIDA GULF COAST UNIVERSITY FOUNDATION, INC.
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
BY ACCOUNT TYPE

YEAR ENDED JUNE 30, 2018

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Restricted</th>
<th>Endowment</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenues:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>$ 570,742</td>
<td>$ 8,027,459</td>
<td>-</td>
<td>$ 8,598,201</td>
</tr>
<tr>
<td>Other income</td>
<td>300,385</td>
<td>2,751,070</td>
<td>-</td>
<td>3,051,455</td>
</tr>
<tr>
<td>Total Operating Revenues</td>
<td>871,127</td>
<td>10,778,529</td>
<td>-</td>
<td>11,649,656</td>
</tr>
<tr>
<td>Operating Expenses:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program Services:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program fees</td>
<td>-</td>
<td>4,716,492</td>
<td>-</td>
<td>4,716,492</td>
</tr>
<tr>
<td>Scholarships</td>
<td>24,205</td>
<td>3,139,552</td>
<td>-</td>
<td>3,163,757</td>
</tr>
<tr>
<td>University support</td>
<td>359,928</td>
<td>6,554,215</td>
<td>-</td>
<td>6,914,143</td>
</tr>
<tr>
<td>General and administrative expenses</td>
<td>1,319,731</td>
<td>-</td>
<td>-</td>
<td>1,319,731</td>
</tr>
<tr>
<td>Return of restricted contribution</td>
<td>1,496</td>
<td>2,279</td>
<td>-</td>
<td>3,775</td>
</tr>
<tr>
<td></td>
<td>1,705,360</td>
<td>14,412,538</td>
<td>-</td>
<td>16,117,898</td>
</tr>
<tr>
<td>Other Expenses:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest</td>
<td>6,398</td>
<td>15,444</td>
<td>-</td>
<td>21,842</td>
</tr>
<tr>
<td>Amortization</td>
<td>6,398</td>
<td>35,415</td>
<td>-</td>
<td>41,813</td>
</tr>
<tr>
<td>Total Operating Expenses</td>
<td>1,711,758</td>
<td>14,447,953</td>
<td>-</td>
<td>16,159,711</td>
</tr>
<tr>
<td>Operating loss</td>
<td>(840,631)</td>
<td>(3,669,424)</td>
<td>-</td>
<td>(4,510,055)</td>
</tr>
<tr>
<td>Nonoperating Revenues:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest earnings</td>
<td>269,118</td>
<td>4,513</td>
<td>-</td>
<td>273,631</td>
</tr>
<tr>
<td>Net investment earnings</td>
<td>92,181</td>
<td>213,272</td>
<td>6,613,986</td>
<td>6,919,439</td>
</tr>
<tr>
<td>Net gain on sale of land held for resale</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total Nonoperating Revenues</td>
<td>361,299</td>
<td>217,785</td>
<td>6,613,986</td>
<td>7,193,070</td>
</tr>
<tr>
<td>(Loss) Income before endowment contributions</td>
<td>(479,332)</td>
<td>(3,451,639)</td>
<td>6,613,986</td>
<td>2,683,015</td>
</tr>
<tr>
<td>Endowment Contributions:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions to endowments</td>
<td>-</td>
<td>-</td>
<td>3,724,592</td>
<td>3,724,592</td>
</tr>
<tr>
<td>Change in net position</td>
<td>(479,332)</td>
<td>(3,451,639)</td>
<td>10,338,578</td>
<td>6,407,607</td>
</tr>
<tr>
<td>Transfers</td>
<td>(1,207,756)</td>
<td>4,993,344</td>
<td>(3,785,588)</td>
<td>-</td>
</tr>
<tr>
<td>Net position, beginning of year</td>
<td>12,865,319</td>
<td>26,030,612</td>
<td>84,643,790</td>
<td>123,539,721</td>
</tr>
<tr>
<td>Net position, end of year</td>
<td>$ 11,178,231</td>
<td>$ 27,572,317</td>
<td>$ 91,196,780</td>
<td>$ 129,947,328</td>
</tr>
</tbody>
</table>

FGCU Board of Trustees - January 14, 2020

340
Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Board of Directors
Florida Gulf Coast University Foundation, Inc.
Fort Myers, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the Florida Gulf Coast University Foundation, Inc. (the “Foundation”) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Foundation’s basic financial statements, and have issued our report thereon dated October 15, 2019.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Foundation’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation’s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Foundation’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Foundation’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.
Purpose of this Report
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Foundation's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Foundation's internal control over compliance. Accordingly, this communication is not suitable for any other purpose.

Cherry Bekaert LLP

Tampa, Florida
October 15, 2019
Florida Gulf Coast University Board of Trustees  
January 14, 2020

SUBJECT:   FGCU Regulation (# TBD) Complaints of Waste, Fraud, or Financial Mismanagement

PROPOSED BOARD ACTION

If recommended by the Audit and Compliance Committee which meets prior to this meeting, approve FGCU Regulation (# TBD) Complaints of Waste, Fraud, or Financial Mismanagement.

BACKGROUND INFORMATION

Pursuant to Board of Governors (BOG) Regulation 4.001, each institution in the State University System of Florida is required to adopt a regulation to address complaints made against the President, a member of the FGCU Board of Trustees, the Chief Audit Executive, and the Chief Compliance Officer of any significant and credible allegations of waste, fraud, financial mismanagement, misconduct, or other abuses, with the regulation requiring timely notification to the BOG through the Inspector General and Director of Compliance (OIGC).

Supporting Documentation Included: Notice and Text for FGCU Regulation (# TBD) Complaints of Waste, Fraud, or Financial Mismanagement

Prepared by: Director of Internal Audit William Foster, and Director of Equity, Ethics and Compliance, and Title IX Coordinator Precious Gunter

Legal Review: Vice President and General Counsel Vee Leonard (November 4, 2019)

Submitted by: Audit and Compliance Committee Chair Joseph Fogg III
A. GENERAL STATEMENT

Board of Governors (BOG) Regulation 4.001, University System Processes for Complaints of Waste, Fraud, or Financial Mismanagement, requires the Florida Gulf Coast University (FGCU) Board of Trustees (BOT) to adopt a regulation to address complaints of waste, fraud, or financial mismanagement, which requires timely notification to the BOG, through the Inspector General and Director of Compliance (OIGC), of any significant and Credible Allegations of Waste, Fraud, Mismanagement, Misconduct, or other Abuses made against the President, a member of the FGCU BOT, the Chief Audit Executive, and the Chief Compliance Officer.

B. DEFINITIONS

1. **Abuse**: Behaving improperly or unreasonably or misusing one’s position or authority.

2. **Credible Allegation**: An allegation that has been verified by FGCU as having indicia of reliability.

3. **Fraud**: The knowing, willful, or intentional deception or misrepresentation of material facts in order to obtain some benefit or payment for which no entitlement would otherwise exist.

4. **Indicia of Reliability**: Circumstances that point to the existence of a given fact or allegation as probable, but not certain.

5. **Misconduct**: Actions that occur during or after work hours which show a conscious disregard of FGCU’s interests and found to be a deliberate violation or disregard of the reasonable standards of behavior which FGCU expects of all employees and representatives of the University.

6. **Mismanagement**: Negligence or neglect where one fails to observe laws or guidelines when handling matters on behalf of FGCU thereby creating a substantial risk to FGCU being able to accomplish its mission.

7. **Waste**: The unnecessary spending or squandering of University resources, whether intentional or unintentional.

C. PROTOCOL
1. Significant and Credible Allegations of Waste, Fraud, Mismanagement, Misconduct, and other Abuses made against the President or a member of the FGCU BOT shall be handled as follows:

   a. The Chair of the FGCU BOT (or the Chair of the Audit and Compliance Committee of the FGCU BOT if the allegations involve the Chair of the FGCU BOT), in consultation with the Chair of the BOG, shall review the matter and may ask the OIGC to conduct a preliminary inquiry to determine whether the allegations warrant further investigation or other appropriate action. If it is determined that an investigation is warranted, it shall take one (1) of the following forms:

      1) The Vice President and General Counsel, at the request of the BOT, will hire an independent outside firm to conduct the investigation with OIGC guidance and monitoring, or

      2) The OIGC will conduct the investigation.

   b. At the conclusion of the investigation, a report shall be submitted to the subject of the investigation, who shall have twenty (20) working days from the date of the report to submit a written response to the Chair of the FGCU BOT or the Chair of the Audit and Compliance Committee, as appropriate. The subject’s response and the investigator’s rebuttal to the response, if any, shall be included in the final report presented to the Chair of the FGCU BOT and the BOG’s Audit and Compliance Committee. If the subject is the Board Chair, the response and rebuttal to the response shall be included in the final report presented to the Chair of the Audit and Compliance Committee of the FGCU BOT and the BOG’s Audit and Compliance Committee.

   c. The report will be submitted to the FGCU BOT, or BOG, as appropriate, for disciplinary action if warranted.

2. Significant and Credible Allegations of Waste, Fraud, Mismanagement, Misconduct, and other Abuses made against the Chief Audit Executive or the Chief Compliance Officer shall be handled as follows:

   a. The Chair of the Audit and Compliance Committee of the FGCU BOT and the University President shall review the matter and may ask the Vice President and General Counsel to conduct a preliminary inquiry to determine whether the allegations warrant further investigation or other appropriate action. If it is determined that an investigation is warranted, it shall take one (1) of the following forms:

      1) The Vice President and General Counsel, at the request of the Audit and Compliance Committee and the President, will hire an independent outside firm to conduct the investigation with his or her guidance and monitoring, or
2) The OIGC will conduct the investigation.

b. At the conclusion of the investigation, a report shall be submitted to the subject of the investigation, who shall have twenty (20) working days from the date of the report to submit a written response to the Chair of the Audit and Compliance Committee and the President. The subject’s response and the investigator’s rebuttal to the response, if any, shall be included in the final report presented to the Chair of the Audit and Compliance Committee of the FGCU BOT and the President. The report will be submitted to the FGCU BOT, and/or BOG, as appropriate.

c. The President shall determine disciplinary action, if any, in consultation with the Chief Human Resources Officer, or designee, and in accordance with FGCU Regulation 5.016, Disciplinary Actions.

d. The President, in consultation with the Vice President and General Counsel, shall confer with the appropriate law enforcement entity in all instances where there are reasonable grounds to believe a criminal violation has occurred.

Authority

BOG Regulation 4.001, University System Processes for Complaints of Waste, Fraud, or Financial Mismanagement
Board of Governors Office of Inspector General and Director of Compliance, Charter, section 10.2
FGCU Regulation 5.016, Disciplinary Actions

History of Regulation

New

Approved by Florida Gulf Coast University Board of Trustees

Effective Date of Regulation


Florida Gulf Coast University Board of Trustees
January 14, 2020

SUBJECT: FGCU Regulation 1.006 Whistle-Blower Reporting and Protection

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PROPOSED BOARD ACTION

If recommended by the Audit and Compliance Committee which meets prior to this meeting, approve the amendments to FGCU Regulation 1.006 Whistle-Blower Reporting and Protection.

BACKGROUND INFORMATION

This regulation was amended to align with Florida Statutes, Sections 112.3187-112.31895 to include language on whistle-blower reporting procedures. Previously the regulation only included whistle-blower protection.

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Supporting Documentation Included: Notice and Text for FGCU Regulation 1.006 Whistle-Blower Reporting and Protection

Prepared by: Director of Internal Audit William Foster

Legal Review: Vice President and General Counsel Vee Leonard (November 4, 2019)

Submitted by: Audit and Compliance Committee Chair Joseph Fogg III
A. GENERAL STATEMENT

Florida Gulf Coast University (“University”) employees have a responsibility to be good stewards of the public resources that have been entrusted to the University’s care. The University and its employees are to behave ethically and to abide by all applicable laws, regulations, rules, and policies. The University takes seriously any allegation of fraud, criminal conduct, mismanagement, misrepresentation, or other dishonest acts.

To that end, the University shall provide “Whistle-blower” protection from retaliatory action for any Whistle-blower its employees, former employees, or applicants for employment who truthfully report Whistle-blower Information, and who has not himself or herself committed or intentionally participated in committing the reported violation(s) affecting the University’s resources and assets and that create a substantial and specific danger to the public’s health, safety, or welfare. The University shall also protect from retaliatory action any person who discloses information alleging improper use of one’s position, gross waste of funds, or any other gross neglect of duty on the part of a University employee. To ensure complaints are investigated promptly and consistently, and to ensure employees and independent contractors will be able to utilize the remedial protections provided for in section 112.3187(8), Florida Statutes, University employees or independent contractors are required to submit Whistle-blower complaints using the procedures set forth in this Regulation and any related procedures established by the Director of Internal Audit.

B. DEFINITIONS

1. Adverse Personnel Action
   Gross mismanagement: The discharge, suspension, transfer, or demotion of any employee or the withholding of bonuses, the reduction in salary or benefits, or any other adverse action taken against an employee within the terms and conditions of employment by the University or independent contractor affecting the University’s resources and assets and that create a substantial and specific danger to the public’s health, safety, or welfare.

2. Complainant
   A Complainant is a person who submits a Whistle-blower complaint alleging a violation under this Regulation.

3. Gross Mismanagement
   Waste of public funds: A continuous pattern of managerial abuses, wrongful or arbitrary and capricious actions, or fraudulent or criminal conduct which may have a substantial adverse economic impact. The use of funds is significantly out of proportion to the benefit received.
4. **Gross Neglect of Duty**: A dereliction of duty that endangers the welfare of the University or an arbitrary decision for personal gain and/or to injure others.

5. **Malfeasance**: The doing of an act which a person ought not do at all. It is an act by a University employee, or agent, or independent contractor, that is legally unjustified, harmful, or contrary to law. Examples include, but are not limited to, bribery, asset misappropriations, and fraudulent financial or non-financial statements.

6. **Misfeasance**: An act that is not illegal but is improperly performed. It can also be described as the performance of an act in an unlawful, injurious, or negligent manner; a failure to discharge University legal obligations.

7. **Whistle-blower**: Any employee, independent contractor, or other person who reports Whistle-blower Information. Pursuant to section 112.3187(7), Florida Statutes, a Whistle-blower must report Whistle-blower Information on their own initiative and in a written and signed complaint; or must have been requested to participate in an investigation, hearing, or other inquiry conducted by the University’s Internal Auditor, appropriate state agency official, or a federal agency; or must have refused to participate in any adverse action against another Whistle-blower; or who has made a report to the University’s Hotline; or a former employee, or an applicant for employment who discloses information of any activity that is a violation or suspected violation of law by an employee or agent of the University which creates and presents a substantial and specific danger to the public’s health, safety, or welfare. The information disclosed must also include an act or suspected act of gross mismanagement, malfeasance, misfeasance, gross waste of public funds, or gross neglect of duty committed by an employee or agent of the University.

8. **Whistle-blower Information**: Whistle-blower Information addresses or relates to:

   a. Any violation or suspected violation of any federal, state, or local law, rule, or regulation committed by an employee or agent of the University or University independent contractor which creates and presents a substantial and specific danger to the public’s health, safety, or welfare; or

   8.b. Any act or suspected act of Gross Mismanagement, Malfeasance, Misfeasance, gross waste of public funds, suspected or actual Medicaid fraud or abuse, or Gross Neglect of Duty committed by an employee or agent of the University or University independent contractor.

C. UNIVERSITY OFFICIAL REPORTING CONTACT

**Whistle-blower Information** Allegations of activities such as, but not limited to, bribery, asset misappropriations, and fraudulent financial and/or non-financial statements should be reported to the University’s Director of Internal Auditor (Director), or through the University’s reporting hotline.
D. WHISTLE-BLOWER DETERMINATION PROCEDURAL PROTOCOL

When a complaint is filed, it will be filed with the Director of Internal Audit (Director). The Director will coordinate all activities of the University covered under the Whistle-blower’s Act and this Regulation. All complaints received under this Regulation shall be reviewed by the Director to confirm the complaint qualifies as a Whistle-blower complaint, and shall thereafter be investigated. Determination of the status of a Complainant as a Whistle-blower will be completed within the time limits required by law. The Director is authorized to develop such official reporting forms and procedures as that official deems necessary and appropriate to facilitate the implementation of this Regulation. Such forms and procedures shall be consistent with this Regulation.

E. RETALIATORY Adverse ACTIONS PROHIBITED DISCIPLINARY PROCEDURES

RAdverse Personnel Actions against University employees or any other form of retaliation against any persons determined to be a Whistle-blower under this Regulation is strictly prohibited. If the appropriate University official determines that an employee or independent contractor retaliated against a Whistle-blower once established, such shall result in employee or independent contractor shall be subject to disciplinary action, cancellation of contract, debarment, or such other appropriate sanctions as are allowed under against the retaliator pursuant to Florida law, University Policies and Regulations, the provisions of a relevant contract, and any applicable collective bargaining agreement. University agents found to have violated this Regulation will receive sanctions or other disciplinary actions consistent with law and/or contract.

Action by Florida Gulf Coast University Board of Trustees
Approved 09/13/16

Specific Authority
Sections §112.3187-112.31895, Florida Statutes.

History of Regulation
New 09/13/16; Format Changed 05/22/2017; Formatting; Amended

Approved by Florida Gulf Coast University Board of Trustees
ITEM: __32__

Florida Gulf Coast University Board of Trustees
January 14, 2020

SUBJECT: Audit and Compliance Committee Charter

PROPOSED BOARD ACTION

If recommended by the Audit and Compliance Committee which meets before this meeting, approve revisions to Audit and Compliance Committee Charter.

BACKGROUND INFORMATION

On behalf of the Audit and Compliance Committee, Chair Joseph Fogg III sought and received clarification and guidance from State University System Chancellor Marshall Criser on interpretation of Board of Governors’ Regulation provisions for required and best practices as relate to the Audit and Compliance Committee Charter.

A copy of their correspondence is provided as supporting documentation for this agenda item, which presents recommended revisions to the Audit and Compliance Committee Charter.

Supporting Documentation Included: (1) Correspondence of Audit and Compliance Committee Chair Joseph Fogg III and State University System Chancellor Marshall Criser, and (2) Audit and Compliance Committee Charter Proposed Revisions (redlined)

Prepared by: Vice President and Chief of Staff Susan Evans

Legal Review: Vice President and General Counsel Vee Leonard (November 11, 2019)

Submitted by: Audit and Compliance Committee Chair Joseph Fogg III
Florida Gulf Coast University
Audit and Compliance Committee
10501 FGCU Blvd S, Fort Myers, FL 33965

Dr. Marshall Criser, III
Chancellor
Florida State University System

Dear Marshall:

As Chair of the FGCU Audit and Compliance Committee, I and my Committee have spent a considerable amount of time trying to ascertain the definition or meaning of the term in BOG Regulation 4.003 “…shall report functionally to the board of trustees and administratively to the president”. We have sought advice on the matter from our General Counsel as well as others in our administration. They in turn have told me that they have sought clarification from your staff, but have not received a workable response.

Obviously, we take BOG regulations very seriously and therefore I and my Committee are concerned that our Board may be held accountable for performing in a manner that may not be in accordance with BOG expectations, especially in the context of some future incident that might be quite serious. I think the ambiguity in the REG 4.003 language is also unfair to the President since it appears to run contrary to the guidance to be found in The Principles of Accreditation of the Southern Association of Colleges and Schools, Sections 5. This Section specifies that “the President…has ultimate responsibility for…the administrative…programs and services” [of the University.] In other words, that the Directors of Compliance and Internal Audit should report directly and exclusively to the President. Perhaps you could provide some examples of matters with respect to which our compliance and audit executives should report to the Board and on what type of matters they should report just to the President. And what exactly does “report” mean?

I look forward to your guidance and advice as we try to clarify our own charters relating to this issue,

Regards,

Chairman
September 26, 2019

Mr. Joseph G. Fogg, III
Trustee and Chair of Audit and Compliance Committee
Florida Gulf Coast University
10501 FGCU Boulevard South
Fort Myers, FL 33965-6565

Dear Trustee Fogg,

Thank you for your letter of inquiry related to Board of Governors Regulation 4.003, State University System Compliance and Ethics Programs, seeking clarification regarding the dual reporting lines for the chief audit executive (CAE) and the chief compliance officer (CCO). I offer the following as an explanation of the purpose and intent of this regulatory requirement.

In drafting Board of Governors chapter 4 regulations, approved by the Board of Governors in November 2016, we recognized the importance of the internal audit function and sought to promote the same stature for compliance functions. At that time, universities already had in place internal audit offices with designated CAEs. Establishing compliance functions with a designated CCO, however, was a new requirement. Regulation 4.003 requires the same dual reporting structure for the compliance function as for the internal audit function to elevate the former and provide the same multiple reporting mechanisms for CCOs as for CAEs given the delicate and sensitive nature of the matters they may need to handle.

To better understand the influence of internal auditing on the dual reporting structure required for compliance programs as well, we refer you to Board of Governors Regulation 4.002(6)(a), State University System Chief Audit Executives. This regulation requires university CAEs to conduct internal audits in accordance with the International Standards for the Professional Practices Framework, published by the Institute of Internal Auditors (IIA). These standards require that
the internal audit activity must be independent, and that internal auditors must be objective in performing their work. The IIA’s Implementation Guidance states:

...to achieve the degree of independence necessary to effectively carry out the responsibilities of the internal audit activity, the chief audit executive has direct and unrestricted access to senior management and the board. This can be achieved through a dual-reporting relationship...and is effectively achieved when the chief audit executive reports functionally to the board.

The compliance function is most effective when provided the same independence and access to senior management and the board as the internal audit function. To clarify what it means to functionally report to the audit committee, we turn again to the formal guidance provided by the Institute of Internal Auditors. It provides that the frequency and content of reporting are determined collaboratively by the chief audit executive, senior management, and the board. The frequency and content of reporting depend on the importance of the information to be communicated and the urgency of the related action to be taken. Communication to senior management and the board must include information about the audit charter, independence of the internal audit activity, the audit plan and progress against the plan, resource requirements, results of audit activities, conformance with the Code of Ethics and the Standards, and management’s response to risk that, in the chief audit executive’s judgement, may be unacceptable to the organization.

Reporting functionally to the board includes reporting the results of any audits, investigations, reviews, policy changes, staffing or resource limitations, and anything else that reflects the CAE’s or CCO’s performance of his or her duties and responsibilities.

Reporting administratively to the university president includes administrative matters that may also overlap with the information communicated to the board, such as staffing and resources. More specifically, reporting administratively would include any CAE or CCO personnel matters (such as requesting annual or sick leave) but also any operational matters that might include audit or compliance
reviews follow-up for corrective actions, policy guidance, procedures, and any other activities involved in daily operations.

In the descriptions above, the term “reporting” can be handled in various formats such as written reports, emails, phone calls, or in-person conversations. The CAE or CCO are expected to use their professional judgement in determining the appropriate format to use in informing his or her leadership as appropriate for the information to be conveyed.

Regarding the role of a university’s Audit and Compliance Committee, it serves as a crucial oversight function of the internal audit and compliance functions. The interaction of these two functions with their committee is considered one of the hallmarks of good governance, as well as an important relationship that supports the CAE’s and CCO’s independence and objectivity.

The Institute of Internal Auditors, specifically internal audit Standard 1111: Direct Interaction with the Board from The IIA’s International Standards for the Professional Practice of Internal Auditing (Standards), states that “The chief audit executive must communicate and interact directly with the board.” The Standards define the board as directors or supervisors that represent “the highest level of governing body charged with the responsibility to direct and/or oversee the activities and management of the organization.” The board usually delegates audit and control oversight responsibility to the audit committee. As mentioned earlier, given the sensitive nature of the issues confronted by CAEs and CCOs, Board of Governors Regulation 4.003 adopted this approach for university compliance functions as well so that the chief compliance officer is afforded the same multiple reporting mechanisms as the chief audit executive.

Regarding any conflict between Board of Governors Regulation 4.003 and the Southern Association of Colleges and Schools (SACS) Principles of Accreditation standards (section 5), we respectfully disagree. Although section 5 of SACS standards state the “institution’s chief executive officer has ultimate responsibility for priorities and initiatives that advance its board-approved mission, goals, and priorities,” the board is constitutionally responsible for the administration of the
Joseph G. Fogg, III  
September 26, 2019  
Page 4 of 4

university and possesses comprehensive oversight authority as delegated to the boards of trustees pursuant to Board of Governors’ regulations. The dual reporting structure for internal audit offices is considered best practice in the profession and has been a common—even encouraged—practice for many years. The extension of this dual reporting requirement for compliance functions is becoming a best practice as well in this relatively new field.

Thank you again for bringing your concerns to my attention. I would be happy to discuss them in more detail at your convenience.

Sincerely,

[Signature]

Marshall M. Criser, III  
Chancellor

MMC/jl

cc: Michael V. Martin, President
1.0 PURPOSE
The purpose of this Charter is to identify the authority under which the Audit and Compliance Committee (Committee) of the Florida Gulf Coast University Board of Trustees (FGCU) operates, as well as the composition, meeting protocol, and responsibilities of the Committee.

The Committee is appointed by the Chair of the FGCU Board of Trustees to assist the Board in discharging its oversight responsibilities with respect to the:

- Qualifications, independence, and performance of the internal and external audit functions, as well as the compliance and ethics program.
- Integrity of the financial statements for the university, as well as its two direct support organizations which are the FGCU Financing Corporation and FGCU Foundation.
- System of internal controls and risk assessment.
- Process for monitoring compliance with applicable laws and regulations, meeting regulatory requirements, and promoting ethical conduct.

Related but separate charters govern the duties and responsibilities of the Office of Internal Audit and the Office of Compliance and Ethics Compliance Office.

2.0 AUTHORITY
The Committee is authorized by the:

- Board of Governors (BOG) Regulation 4.002(2), State University System Chief Audit Executives, and BOG Regulation 4.003 (3), State University System Compliance and Ethics Programs, which requires each board of trustees to establish a committee responsible for addressing audit, financial-aid, fraud-related, controls, and investigative and compliance-related matters. The Committee will be referred to as the Audit and Compliance Committee with a charter approved by the FGCU Board of Trustees.

- BOG Regulation 4.003(3), State University Compliance and Ethics Programs, which requires each Board of Trustees to assign responsibility for providing governance oversight of the compliance and ethics program to the Committee of the bBoard responsible for audit and compliance, and that the charter required by BOG Regulation 4.002(2) address such governance oversight.

- Bylaws for the FGCU Board of Trustees provide for an Audit and Compliance Committee to review and recommend for consideration by the Board, charters,
FLORIDA GULF COAST UNIVERSITY
BOARD OF TRUSTEES
AUDIT AND COMPLIANCE COMMITTEE CHARTER

plans, policies, and other documents related to the audit and compliance functions of the university.

The Committee is authorized to:

- Perform activities within the scope of this Charter.
- Engage independent counsel and other consultants or advisors, as necessary.
- Have full, free, and unrestricted access to all University information, documents, records, and personnel, including that of the University's direct support organizations (DSOs).
- Provide oversight and direction of the internal audit and compliance and ethics programs, and be knowledgeable of the effectiveness of the programs.
- Receive informational briefings and reports on matters of substantial import from external, state, and regulatory auditors, as well as other independent consultants.
- Conduct an internal investigation, or authorize an external investigation, into any substantive matter under the purview of this Charter that the Committee deems appropriate.
- Perform other related duties as assigned by the Chair of the FGCU Board of Trustees.

3.0 COMPOSITION

- The Committee shall consist of at least three (3) members of the FGCU Board of Trustees with financial expertise and ability to enable them to discharge their responsibilities. At least one member must be a “financial expert.”
- The Chair of the FGCU Board of Trustees shall appoint and remove the Chair and members of the Committee.
- The Chair and members shall serve on the Committee until their resignation or replacement.
- The Chair and members of the Committee shall be independent and objective in the discharge of their responsibilities, and be free of any business or other relationship that could materially interfere with, or reasonably be perceived to materially interfere with, the independent exercise of their judgment.
- The Chair of the FGCU Board of Trustees may not serve as the Chair of the Audit and Compliance Committee.

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1 Under SEC Regulations and NYSE Rules, a financial expert is defined as a person who has the following attributes: (i) an understanding of generally accepted accounting principles and financial statements; (ii) the ability to assess the general application of such principles in connection with the accounting for estimates, accruals, and reserves; (iii) experience preparing, auditing, analyzing or evaluating financial statements or experience actively supervising one or more persons engaged in such activities; (iv) an understanding of internal controls and procedures for financial reporting; and (v) an understanding of audit committee functions.
FLORIDA GULF COAST UNIVERSITY
BOARD OF TRUSTEES
AUDIT AND COMPLIANCE COMMITTEE CHARTER

4.0 MEETINGS

- A majority of Committee members present at a Committee meeting constitutes quorum for purposes of conducting Committee business.
- The Committee will meet at least three times a year, with discretion to convene additional meetings, as necessary. Committee meetings may be conducted by telephone conference call or any other technological means. All Committee members are expected to attend each meeting.
- Committee meetings shall be open and noticed to the public in accordance with Article I, Section 24 of the Florida Constitution and the requirements of Chapter 286, Florida Statutes.
- The Committee may invite University employees and external consultants to attend meetings and provide pertinent information, as necessary.
- Meeting agendas will be prepared and provided to Committee members in advance of meetings, along with appropriate briefing materials. Minutes of Committee meetings will be prepared, maintained, and posted.
- The Committee may ask members of management or other individuals to provide pertinent information as necessary. In addition, the Committee may request special reports from University or DSO management on topics that may enhance its understanding of its activities and operations.

5.0 RESPONSIBILITIES

The Committee will, in coordination with the Chief Audit Executive, carry out the following responsibilities, which apply to the financial statements of the University and to those of all direct support organizations (DSOs), and other component units:

Financial Statements

- Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- Review with management and the external auditors the results of the audit, including any difficulties encountered.
- Review the annual financial statements, and consider whether they are complete, consistent with information known to Committee members, and reflect appropriate accounting principles.
- Review with management and the external auditors all matters required to be communicated to the Committee under Government Auditing Standards.
FLORIDA GULF COAST UNIVERSITY  
BOARD OF TRUSTEES  
AUDIT AND COMPLIANCE COMMITTEE CHARTER

Internal Controls
- Consider the effectiveness of the University and its DSOs’ internal control environment, including information technology security and control.
- Understand the scope of internal and external auditors’ review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management’s responses.

Internal Audit
- Review and recommend approval of the Office of Internal Audit Charter to the FGCU Board of Trustees.
- Annually review the Office of Internal Audit’s functional and administrative reporting for appropriate independence.
- Annually review, with the Director of Internal Audit, the Audit Work Plan, activities, staffing, and organizational structure of the internal audit function.
- Review the effectiveness of the internal audit function, including conformance with the International Standards for the Professional Practice of Internal Auditing.
  - The Director of Internal Audit shall meet regularly and in no event less than four times a year either in person or telephonically with the Chair of the Audit and Compliance Committee to review significant matters coming under the purview of the Office of Internal Audit. Other senior members of the administration including the President are welcome to attend any such sessions. The Director of Internal Audit shall also promptly inform the Chair of the Audit and Compliance Committee of any serious matters under the purview of the Office of Internal Audit arising between meetings.

External Audit
- Review the external auditors’ proposed audit scope and approach, including coordination of effort with internal audit.

Compliance
- Review and recommend approval of the Compliance Office Charter, Program Plan, and annual report to the FGCU Board of Trustees.
- Review the effectiveness of the University’s System to monitor compliance with BOG Regulations, as well as federal, state, and university regulations and policies.
- Review the effectiveness of the compliance and ethics program to prevent or detect criminal conduct, unethical behavior or noncompliance. When such conduct is detected, ensure that the University takes all reasonable steps to prevent further similar misconduct from recurring.
FLORIDA GULF COAST UNIVERSITY
BOARD OF TRUSTEES
AUDIT AND COMPLIANCE COMMITTEE CHARTER

- Ensure that the University has in place and publicizes a mechanism for individuals to report allegations of wrongdoing, and ensure that no individual faces retaliation for reporting a good-faith concern.
- Obtain regular updates regarding compliance matters from the President to the Chair of the Audit and Compliance Committee.
- The Chief Compliance Officer shall meet regularly and in no event less than four times a year either in person or telephonically with the Chair of the Audit and Compliance Committee to review all compliance and ethics-related matters of substantial import and all credible evidence of alleged misconduct, including criminal misconduct. Other senior members of the administration including the President are welcome to attend any such session. The Chief Compliance Officer shall also promptly inform the Chair of the Audit and Compliance Committee of any serious matters under the purview of the Compliance Office arising between meetings.

Reporting
- Provide updates to the FGCU Board of Trustees about Committee activities, issues, and make recommendations on matters that could cause significant financial, legal, reputational, or operational risk to the University or its direct support organizations DSOs.
- Receive a summary of findings from completed internal and external audits and the status of implementing related recommendations.
- Receive a summary of findings from completed reports related to the compliance, ethics, or risk programs.
- Provide an open avenue of communication between internal auditing, the external auditors, and the FGCU Board of Trustees.

Evaluation
- Review the Committee Charter at least once every three (3) years for consistency with applicable BOG and University regulations, professional standards, and best practices and make amendments to the Charter, as necessary.
- Ensure that revisions to the Charter are approved by the FGCU Board of Trustees.

6.0 UNIVERSITY STAFF LIAISONS
- General Counsel
- Designated Chief Compliance Officer
- Designated Chief Audit Executive

Approved: June 13, 2017
Amended: January 8, 2019
Florida Gulf Coast University Board of Trustees
January 14, 2020

SUBJECT: Office of Internal Audit Charter

PROPOSED BOARD ACTION

If recommended by the Audit and Compliance Committee which meets before this meeting, approve revisions to Office of Internal Audit Charter.

BACKGROUND INFORMATION

On behalf of the Audit and Compliance Committee, Chair Joseph Fogg III sought and received clarification and guidance from State University System Chancellor Marshall Criser on interpretation of Board of Governors’ Regulation provisions for required and best practices as relate to the Office of Internal Audit Charter.

A copy of their correspondence is provided as supporting documentation for this agenda item, which presents recommended revisions to the Office of Internal Audit Charter.

Supporting Documentation Included: 1) Correspondence of Audit and Compliance Committee Chair Joseph Fogg III and State University System Chancellor Marshall Criser, and (2) Office of Internal Audit Charter Proposed Revisions (redlined)

Prepared by: Vice President and Chief of Staff Susan Evans

Legal Review: Vice President and General Counsel Vee Leonard (November 11, 2019)

Submitted by: Audit and Compliance Committee Chair Joseph Fogg III
Florida Gulf Coast University  
Audit and Compliance Committee  
10501 FGCU Blvd S, Fort Myers, FL 33965

Dr. Marshall Criser, III  
Chancellor  
Florida State University System

Dear Marshall:

As Chair of the FGCU Audit and Compliance Committee, I and my Committee have spent a considerable amount of time trying to ascertain the definition or meaning of the term in BOG Regulation 4.003 “…shall report functionally to the board of trustees and administratively to the president”. We have sought advice on the matter from our General Counsel as well as others in our administration. They in turn have told me that they have sought clarification from your staff, but have not received a workable response.

Obviously, we take BOG regulations very seriously and therefore I and my Committee are concerned that our Board may be held accountable for performing in a manner that may not be in accordance with BOG expectations, especially in the context of some future incident that might be quite serious. I think the ambiguity in the REG 4.003 language is also unfair to the President since it appears to run contrary to the guidance to be found in The Principles of Accreditation of the Southern Association of Colleges and Schools, Sections 5. This Section specifies that “the President…has ultimate responsibility for…the administrative…programs and services” [of the University.] In other words, that the Directors of Compliance and Internal Audit should report directly and exclusively to the President. Perhaps you could provide some examples of matters with respect to which our compliance and audit executives should report to the Board and on what type of matters they should report just to the President. And what exactly does “report” mean?

I look forward to your guidance and advice as we try to clarify our own charters relating to this issue,

Regards,

[Signature]

Chairman
September 26, 2019

Mr. Joseph G. Fogg, III
Trustee and Chair of Audit and Compliance Committee
Florida Gulf Coast University
10501 FGCU Boulevard South
Fort Myers, FL 33965-6565

Dear Trustee Fogg,

Thank you for your letter of inquiry related to Board of Governors Regulation 4.003, *State University System Compliance and Ethics Programs*, seeking clarification regarding the dual reporting lines for the chief audit executive (CAE) and the chief compliance officer (CCO). I offer the following as an explanation of the purpose and intent of this regulatory requirement.

In drafting Board of Governors chapter 4 regulations, approved by the Board of Governors in November 2016, we recognized the importance of the internal audit function and sought to promote the same stature for compliance functions. At that time, universities already had in place internal audit offices with designated CAEs. Establishing compliance functions with a designated CCO, however, was a new requirement. Regulation 4.003 requires the same dual reporting structure for the compliance function as for the internal audit function to elevate the former and provide the same multiple reporting mechanisms for CCOs as for CAEs given the delicate and sensitive nature of the matters they may need to handle.

To better understand the influence of internal auditing on the dual reporting structure required for compliance programs as well, we refer you to Board of Governors Regulation 4.002(6)(a), *State University System Chief Audit Executives*. This regulation requires university CAEs to conduct internal audits in accordance with the *International Standards for the Professional Practices Framework*, published by the Institute of Internal Auditors (IIA). These standards require that
the internal audit activity must be independent, and that internal auditors must be objective in performing their work. The IIA’s Implementation Guidance states:

...to achieve the degree of independence necessary to effectively carry out the responsibilities of the internal audit activity, the chief audit executive has direct and unrestricted access to senior management and the board. This can be achieved through a dual-reporting relationship...and is effectively achieved when the chief audit executive reports functionally to the board.

The compliance function is most effective when provided the same independence and access to senior management and the board as the internal audit function. To clarify what it means to functionally report to the audit committee, we turn again to the formal guidance provided by the Institute of Internal Auditors. It provides that the frequency and content of reporting are determined collaboratively by the chief audit executive, senior management, and the board. The frequency and content of reporting depend on the importance of the information to be communicated and the urgency of the related action to be taken. Communication to senior management and the board must include information about the audit charter, independence of the internal audit activity, the audit plan and progress against the plan, resource requirements, results of audit activities, conformance with the Code of Ethics and the Standards, and management’s response to risk that, in the chief audit executive’s judgement, may be unacceptable to the organization.

Reporting functionally to the board includes reporting the results of any audits, investigations, reviews, policy changes, staffing or resource limitations, and anything else that reflects the CAE’s or CCO’s performance of his or her duties and responsibilities.

Reporting administratively to the university president includes administrative matters that may also overlap with the information communicated to the board, such as staffing and resources. More specifically, reporting administratively would include any CAE or CCO personnel matters (such as requesting annual or sick leave) but also any operational matters that might include audit or compliance
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Regarding the role of a university’s Audit and Compliance Committee, it serves as a crucial oversight function of the internal audit and compliance functions. The interaction of these two functions with their committee is considered one of the hallmarks of good governance, as well as an important relationship that supports the CAE’s and CCO’s independence and objectivity.

The Institute of Internal Auditors, specifically internal audit Standard 1111: Direct Interaction with the Board from The IIA’s International Standards for the Professional Practice of Internal Auditing (Standards), states that “The chief audit executive must communicate and interact directly with the board.” The Standards define the board as directors or supervisors that represent “the highest level of governing body charged with the responsibility to direct and/or oversee the activities and management of the organization.” The board usually delegates audit and control oversight responsibility to the audit committee. As mentioned earlier, given the sensitive nature of the issues confronted by CAEs and CCOs, Board of Governors Regulation 4.003 adopted this approach for university compliance functions as well so that the chief compliance officer is afforded the same multiple reporting mechanisms as the chief audit executive.

Regarding any conflict between Board of Governors Regulation 4.003 and the Southern Association of Colleges and Schools (SACS) Principles of Accreditation standards (section 5), we respectfully disagree. Although section 5 of SACS standards state the “institution’s chief executive officer has ultimate responsibility for priorities and initiatives that advance its board-approved mission, goals, and priorities,” the board is constitutionally responsible for the administration of the
Joseph G. Fogg, III  
September 26, 2019  
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university and possesses comprehensive oversight authority as delegated to the boards of trustees pursuant to Board of Governors’ regulations. The dual reporting structure for internal audit offices is considered best practice in the profession and has been a common—even encouraged—practice for many years. The extension of this dual reporting requirement for compliance functions is becoming a best practice as well in this relatively new field.

Thank you again for bringing your concerns to my attention. I would be happy to discuss them in more detail at your convenience.

Sincerely,

[Signature]

Marshall M. Criser, III  
Chancellor  

MMC/jl  

cc: Michael V. Martin, President
Florida Gulf Coast University
Office of Internal Audit
Charter

Introduction

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve the University’s operations. It assists Florida Gulf Coast University (FGCU) in accomplishing its objectives by bringing a systematic, disciplined approach to examine and evaluate the effectiveness of risk management, internal controls, and governance processes.

Organizational Independence Objectivity, and Authority

1. To ensure organizational independence and as required by Board of Governors Regulation 4.002, the Director of Internal Audit shall report functionally to the Chair of the Audit and Compliance Committee of the FGCU Board of Trustees and administratively to the President.

2. Report routinely to the FGCU Board of Trustees through its Chair of the Audit and Compliance Committee on matters including significant risk exposures, control issues, fraud risks, governance issues, and other matters requested by the President and the FGCU Board of Trustees.

3. Conduct and report on audits, investigations, and other inquiries free of actual or perceived impairment to the independence of the Director of Internal Audit’s office.

4. Have timely access to any records, data, and other information in possession or control of the University including information reported to the University’s hotline.

5. Notify the Chair of the FGCU Board of Trustees’ Audit and Compliance Committee or the President, as appropriate, of any unresolved restriction or barrier imposed by any individual on the scope of an inquiry, or the failure to provide access to necessary information or people for the purposes of such inquiry.

Duties and Responsibilities

1. Provide direction for, supervise, and coordinate audits and investigations which promote economy, efficiency, and effectiveness in the administration of University programs and operations including, but not limited to, auxiliary facilities and services and direct support organizations.
2. Conduct, supervise, or coordinate activities for the purpose of preventing and detecting fraud and abuse within university programs and operations including, but not limited to, auxiliary facilities and services and direct support organizations.

3. Address significant and credible allegations relating to waste, fraud, or financial mismanagement as provided in Board of Governors Regulation 4.001.

4. Keep the President and the FGCU Board of Trustees through its Chair of the Audit and Compliance Committee informed concerning significant and credible allegations and known occurrences of waste, fraud, mismanagement, abuses, and deficiencies relating to University programs and operations.

5. Promote in collaboration with other appropriate University officials, effective coordination between the University and the Florida Auditor General, federal auditors, accrediting bodies, and other governmental or oversight bodies.

6. Review and make recommendations, as appropriate, concerning policies and regulations related to the University’s programs and operations including, but not limited to, auxiliary facilities and services and direct support organizations.

7. Communicate to the President and the FGCU Board of Trustees through the Audit and Compliance Committee, at least annually, the office’s plans and resource requirements, including significant changes, and the impact of resource limitations.

8. Provide training and outreach, to the extent practicable, designed to promote accountability and address topics such as fraud awareness, risk management, controls, and other related subject matter.

9. Coordinate or request audit, financial, and fraud-related compliance, controls, and investigative information or assistance as may be necessary from any university, federal, state, or local government entity.

10. Develop and maintain a quality assurance and improvement program for the Office of Internal Audit in accordance with professional auditing standards. The program must include an external assessment conducted at least once every five (5) years. The external assessment report and any related improvement plans shall be presented to the FGCU Board of Trustees.

11. Establish policies which articulate the steps for reporting and escalating matters of alleged misconduct, including criminal conduct, when there are reasonable grounds to believe such conduct has occurred.

12. Inform the FGCU Board of Trustees when contracting for specific instances of audit or investigative assistance.

Reporting Responsibilities
1. Audit engagements shall be performed in accordance with the International Professional Practices Framework, published by the Institute of Internal Auditors, Inc., the Government Auditing Standards published by the United States Government Accountability Office, and/or the Information Systems Auditing Standards published by ISACA.

2. At the conclusion of each audit engagement, the Director of Internal Audit shall prepare a report to communicate the audit results and action plans to the FGCU Board of Trustees and University management.

3. The Director of the Office of Internal Audit shall monitor the disposition of results communicated to University management and determine whether corrective actions have been effectively implemented or that senior management or the FGCU Board of Trustees, as appropriate, has accepted the risk of not taking corrective action.

4. The Director of Internal Audit shall develop audit plans based on the results of periodic risk assessments. The audit plans shall be submitted to the FGCU Board of Trustees for approval.

5. The Director of Internal Audit shall initiate, conduct, supervise, or coordinate investigations that fall within the purview of the Office of Internal Audit and be designated by the FGCU Board of Trustees as the employee to review statutory whistle-blower information and coordinate all activities of the University as required by the Florida Whistle-blower’s Act. Investigative assignments shall be performed in accordance with professional standards issued for the State University System. All final investigative reports shall be submitted to the appropriate action officials and to the FGCU Board of Trustees.

6. By September 30th of each year, the Director of the Office of Internal Audit shall prepare a report summarizing the activities of the office for the preceding fiscal year. The report shall be provided to the President, the FGCU Board of Trustees, and the Board of Governors.

7. The Director of Internal Audit shall meet regularly and in no event less than four times a year either in person or telephonically with the Chair of the Audit and Compliance Committee to review significant matters coming under the purview of the Office of Internal Audit. Other senior members of the administration are welcome to attend any such sessions. The Director of Internal Audit shall also promptly inform the Chair of the Audit and Compliance Committee of any serious matters under the purview of the Office of Internal Audit arising between meetings.
Florida Gulf Coast University Board of Trustees  
January 14, 2020

SUBJECT: Compliance Office Charter

PROPOSED BOARD ACTION

If recommended by the Audit and Compliance Committee which meets before this meeting, approve revisions to Compliance Office Charter.

BACKGROUND INFORMATION

On behalf of the Audit and Compliance Committee, Chair Joseph Fogg III sought and received clarification and guidance from State University System Chancellor Marshall Criser on interpretation of Board of Governors’ Regulation provisions for required and best practices as relate to the Compliance Office Charter.

A copy of their correspondence is provided as supporting documentation for this agenda item, which presents recommended revisions to the Compliance Office Charter.

Supporting Documentation Included: (1) Correspondence of Audit and Compliance Committee Chair Joseph Fogg III and State University System Chancellor Marshall Criser, and (2) Compliance Office Charter Proposed Revisions (redlined)

Prepared by: Vice President and Chief of Staff Susan Evans

Legal Review: Vice President and General Counsel Vee Leonard (November 11, 2019)

Submitted by: Audit and Compliance Committee Chair Joseph Fogg III
Florida Gulf Coast University  
Audit and Compliance Committee  
10501 FGCU Blvd S, Fort Myers, FL 33965

Dr. Marshall Criser, III  
Chancellor  
Florida State University System

Dear Marshall:

As Chair of the FGCU Audit and Compliance Committee, I and my Committee have spent a considerable amount of time trying to ascertain the definition or meaning of the term in BOG Regulation 4.003 “…shall report functionally to the board of trustees and administratively to the president”. We have sought advice on the matter from our General Counsel as well as others in our administration. They in turn have told me that they have sought clarification from your staff, but have not received a workable response.

Obviously, we take BOG regulations very seriously and therefore I and my Committee are concerned that our Board may be held accountable for performing in a manner that may not be in accordance with BOG expectations, especially in the context of some future incident that might be quite serious. I think the ambiguity in the REG 4.003 language is also unfair to the President since it appears to run contrary to the guidance to be found in The Principles of Accreditation of the Southern Association of Colleges and Schools, Sections 5. This Section specifies that “the President…has ultimate responsibility for…the administrative…programs and services” [of the University.] In other words, that the Directors of Compliance and Internal Audit should report directly and exclusively to the President. Perhaps you could provide some examples of matters with respect to which our compliance and audit executives should report to the Board and on what type of matters they should report just to the President. And what exactly does “report” mean?

I look forward to your guidance and advice as we try to clarify our own charters relating to this issue,

Regards,

[Signature]

Chairman
September 26, 2019

Mr. Joseph G. Fogg, III  
Trustee and Chair of Audit and Compliance Committee  
Florida Gulf Coast University  
10501 FGCU Boulevard South  
Fort Myers, FL 33965-6565

Dear Trustee Fogg,

Thank you for your letter of inquiry related to Board of Governors Regulation 4.003, *State University System Compliance and Ethics Programs*, seeking clarification regarding the dual reporting lines for the chief audit executive (CAE) and the chief compliance officer (CCO). I offer the following as an explanation of the purpose and intent of this regulatory requirement.

In drafting Board of Governors chapter 4 regulations, approved by the Board of Governors in November 2016, we recognized the importance of the internal audit function and sought to promote the same stature for compliance functions. At that time, universities already had in place internal audit offices with designated CAEs. Establishing compliance functions with a designated CCO, however, was a new requirement. Regulation 4.003 requires the same dual reporting structure for the compliance function as for the internal audit function to elevate the former and provide the same multiple reporting mechanisms for CCOs as for CAEs given the delicate and sensitive nature of the matters they may need to handle.

To better understand the influence of internal auditing on the dual reporting structure required for compliance programs as well, we refer you to Board of Governors Regulation 4.002(6)(a), *State University System Chief Audit Executives*. This regulation requires university CAEs to conduct internal audits in accordance with the *International Standards for the Professional Practices Framework*, published by the Institute of Internal Auditors (IIA). These standards require that
the internal audit activity must be independent, and that internal auditors must be objective in performing their work. The IIA’s Implementation Guidance states:

...to achieve the degree of independence necessary to effectively carry out the responsibilities of the internal audit activity, the chief audit executive has direct and unrestricted access to senior management and the board. This can be achieved through a dual-reporting relationship...and is effectively achieved when the chief audit executive reports functionally to the board.

The compliance function is most effective when provided the same independence and access to senior management and the board as the internal audit function. To clarify what it means to functionally report to the audit committee, we turn again to the formal guidance provided by the Institute of Internal Auditors. It provides that the frequency and content of reporting are determined collaboratively by the chief audit executive, senior management, and the board. The frequency and content of reporting depend on the importance of the information to be communicated and the urgency of the related action to be taken. Communication to senior management and the board must include information about the audit charter, independence of the internal audit activity, the audit plan and progress against the plan, resource requirements, results of audit activities, conformance with the Code of Ethics and the Standards, and management’s response to risk that, in the chief audit executive’s judgement, may be unacceptable to the organization.

Reporting functionally to the board includes reporting the results of any audits, investigations, reviews, policy changes, staffing or resource limitations, and anything else that reflects the CAE’s or CCO’s performance of his or her duties and responsibilities.

Reporting administratively to the university president includes administrative matters that may also overlap with the information communicated to the board, such as staffing and resources. More specifically, reporting administratively would include any CAE or CCO personnel matters (such as requesting annual or sick leave) but also any operational matters that might include audit or compliance
reviews follow-up for corrective actions, policy guidance, procedures, and any other activities involved in daily operations.

In the descriptions above, the term “reporting” can be handled in various formats such as written reports, emails, phone calls, or in-person conversations. The CAE or CCO are expected to use their professional judgement in determining the appropriate format to use in informing his or her leadership as appropriate for the information to be conveyed.

Regarding the role of a university’s Audit and Compliance Committee, it serves as a crucial oversight function of the internal audit and compliance functions. The interaction of these two functions with their committee is considered one of the hallmarks of good governance, as well as an important relationship that supports the CAE’s and CCO’s independence and objectivity.

The Institute of Internal Auditors, specifically internal audit Standard 1111: Direct Interaction with the Board from The IIA’s International Standards for the Professional Practice of Internal Auditing (Standards), states that “The chief audit executive must communicate and interact directly with the board.” The Standards define the board as directors or supervisors that represent “the highest level of governing body charged with the responsibility to direct and/or oversee the activities and management of the organization.” The board usually delegates audit and control oversight responsibility to the audit committee. As mentioned earlier, given the sensitive nature of the issues confronted by CAEs and CCOs, Board of Governors Regulation 4.003 adopted this approach for university compliance functions as well so that the chief compliance officer is afforded the same multiple reporting mechanisms as the chief audit executive.

Regarding any conflict between Board of Governors Regulation 4.003 and the Southern Association of Colleges and Schools (SACS) Principles of Accreditation standards (section 5), we respectfully disagree. Although section 5 of SACS standards state the “institution’s chief executive officer has ultimate responsibility for priorities and initiatives that advance its board-approved mission, goals, and priorities,” the board is constitutionally responsible for the administration of the
Joseph G. Fogg, III  
September 26, 2019  
Page 4 of 4  

university and possesses comprehensive oversight authority as delegated to the boards of trustees pursuant to Board of Governors’ regulations. The dual reporting structure for internal audit offices is considered best practice in the profession and has been a common—even encouraged—practice for many years. The extension of this dual reporting requirement for compliance functions is becoming a best practice as well in this relatively new field.

Thank you again for bringing your concerns to my attention. I would be happy to discuss them in more detail at your convenience.

Sincerely,

[Signature]

Marshall M. Criser, III  
Chancellor

MMC/jl

cc: Michael V. Martin, President
1.0 PURPOSE
The purpose of this Charter is to:

- Identify the authority, mission, scope, and responsibilities of Florida Gulf Coast University’s (FGCU’s) Compliance Office (hereinafter referred to as the Compliance Office).
- Ensure that the Compliance Office adheres to the Florida Code of Ethics, maintains organizational independence, and has unrestricted access to FGCU records and personnel, as well as the records of its affiliated organizations.
- Provide for a periodic review of and changes to the Charter, as necessary.

A separate charter governs the duties and responsibilities of the Audit and Compliance Committee of the FGCU Board of Trustees.

2.0 AUTHORITY
Board of Governors (BOG) Regulation 4.003, State University System Compliance and Ethics Programs, requires each Board of Trustees to implement a university-wide compliance and ethics program that promotes ethical conduct and maximizes compliance with applicable laws, rules, regulations, and policies. The BOG Regulation requires FGCU to designate a Chief Compliance Officer who shall be governed by a charter approved by the FGCU Board of Trustees.

FGCU’s Compliance Office is housed in the Office of Institutional Equity and Compliance (OIEC). The Director of Equity, Ethics, and Compliance, and Title IX Coordinator is responsible to the President for all matters related to equal opportunity and Title IX, and also serves as the University’s designated chief compliance officer, overseeing the OIEC and the University’s compliance and ethics program. As the Chief Compliance Officer, he/she reports functionally to the Audit and Compliance Committee through its Chair, on behalf of the FGCU Board of Trustees, and administratively to the President. Additionally, in regards to discrimination and Title IX matters, he/she reports solely and directly to the President.

3.0 MISSION
The mission of FGCU’s Compliance Office is to assist FGCU with promoting an organizational culture that encourages ethical conduct and a commitment to compliance.

4.0 SCOPE OF WORK
The scope of work for the Compliance Office is to:
FGCU COMPLIANCE OFFICE CHARTER

- Encourage and support ethical behavior, a culture of integrity, and a commitment to compliance into all facets of the University.
- Provide University stakeholders with a reporting mechanism to bring forward good-faith concerns of wrongdoing without fear of retaliation.
- Respond to employee inquiries about compliance and ethics-related matters and assist employees with understanding University policies and regulations, as well as state and federal laws and rules pertaining to compliance and ethics.
- Disseminate and communicate information about compliance and ethics-related laws, rules, regulations, and policies.
- Conduct ongoing oversight of compliance with the laws, rules, regulations, and policies.
- Identify and evaluate risks critical to the University and ensure that the risks are properly managed by the appropriate University component.
- Administer and coordinate a compliance and ethics training program.
- Chair a Compliance Committee of University employees to collaborate with and provide proactive guidance for University employees responsible for various program areas with compliance functions.
- Review and provide advice to management on compliance-related issues.
- Develop a Compliance and Ethics Program that consists of activities that promote ethical conduct and maximize compliance with applicable laws, regulations, rules, policies and procedures.

5.0 RESPONSIBILITIES

The responsibilities of the Compliance Office are to:

- Develop and direct the University’s compliance and ethics function.
- Provide leadership, oversight, and expert advice to ensure appropriate development, interpretation, and implementation of the University’s policies and regulations pertaining to compliance, in accordance with state and federal laws.
- Prepare, implement, and manage the University’s Compliance and Ethics Program Plan as approved by the President, Chair of the Audit and Compliance Committee, and the FGCU Board of Trustees; revise the Plan as necessary.
- Develop and implement compliance training and/or awareness programs.
- Develop and provide compliance and ethics training to the FGCU Board of Trustees, the President and Cabinet, and employees to assist the University community members with performing their jobs, understanding compliance issues, and infusing an ethical framework into the fabric of the University.
- Engage in investigations, monitoring activities, or risk assessments for the University and its affiliated organizations to prevent and detect misconduct or violations of institutional policies or applicable laws and regulations.
- Measure and report on the effectiveness of the Program to the President and the Chair of the Audit and Compliance Committee.

Approved: June 13, 2017
Amended: January 8, 2019
FGCU COMPLIANCE OFFICE CHARTER

- Administer and promote the FGCU hotline, an anonymous mechanism available for individuals to report potential or actual misconduct and violations of University policy, regulation, or law, and ensure that no individual faces retaliation for reporting a potential or actual violation when such report is made in good faith.
- Ensure that managers responsible for compliance functions within the University, such as equal opportunity, athletics, public safety, sponsored programs, financial aid, environmental health and safety, finance and procurement, coordinate and communicate program matters of substantial import with the Chief Compliance Officer.
- Oversee the processing of internal complaints, refer concerns to an appropriate University office for review and disposition (such as General Counsel, Internal Audit, or Human Resources).
- Bring to the attention of the President and the Chair of the Audit and Compliance Committee, through regular communication, all compliance and ethics-related matters of substantial import and all credible evidence of alleged misconduct, including criminal conduct, as well as the Board of Governors’ Inspector General, as applicable.
- The Chief Compliance Officer shall meet regularly and in no event less than four times a year either in person or telephonically with the Chair of the Audit and Compliance Committee to review all compliance and ethics-related matters of import and all credible evidence of alleged misconduct, including criminal misconduct. Other senior members of the administration including the President are welcome to attend any such session. The Chief Compliance Officer shall also promptly inform the Chair of the Audit and Compliance Committee of any serious matters under the purview of the Compliance Office arising between meetings.
- Prepare an annual report for approval by the President, Chair of the Audit and Compliance Committee, and the FGCU Board of Trustees regarding activities, accomplishments, and the effectiveness of the compliance and ethics program, and provide a copy of the approved annual report to the Board of Governors.
- Ensure that an initial external review of the compliance and ethics program to determine its effectiveness is conducted no later than November 2021 and that a subsequent external review is conducted at least once in each successive five-year period.
- Perform other activities consistent with this Charter, as deemed necessary by the President and/or the Chair of the Audit and Compliance Committee of the FGCU Board of Trustees.
- Exercise due diligence to exclude from the University and its affiliated organizations individuals whom it knows, or should have known, to have engaged in conduct not consistent with the University’s Compliance Program.

6.0 CODE OF ETHICS
FGCU’s designated Chief Compliance Officer shall abide by the Code of Ethics for Public Officers and Employees codified in the Florida Statutes at Title X, Chapter 112, Part III.
The designated Chief Compliance Officer shall also follow the Code of Ethics of any relevant professional organizations to which he/she may belong.

7.0 INDEPENDENCE AND REPORTING
To ensure the impartial and unbiased judgment essential to the proper conduct of the compliance and ethics function, the designated Chief Compliance Officer is organizationally independent of the employees and managers who seek the advice and assistance of the Compliance Office. The Chief Compliance Officer reports functionally to the Chair of the Audit and Compliance Committee of the FGCU Board of Trustees and administratively to the President.

8.0 ACCESS
The designated Chief Compliance Officer shall have full, free, and unrestricted access to all University information, documents, records, and personnel necessary to carry out the duties and responsibilities of the Compliance Office.

9.0 PERIODIC ASSESSMENT
The designated Chief Compliance Officer shall review the Charter at least once every three years for consistency with applicable Board of Governors and FGCU regulations and policies, professional standards, and best practices; and make revisions to the Charter, as necessary.
Florida Gulf Coast University Board of Trustees  
January 14, 2020

SUBJECT:   Election of 2020-2022 Chair and Vice Chair of Florida Gulf Coast University Board of Trustees

PROPOSED BOARD ACTION

Elect Chair and Vice Chair of Florida Gulf Coast University Board of Trustees for 2020-2022

BACKGROUND INFORMATION

FGCU Board of Trustees Chair Blake Gable appointed Trustee Robbie Roepstorff as chair, and Trustees Leo Montgomery and Ken Smith as members of the Officers Nominating Committee charged with adopting a recommended slate of Board Chair and Vice Chair officers for action by the full Board at its January 14, 2020 meeting. The Chair and Vice Chair terms of office are February 1, 2020 through January 31, 2022.

The Officers Nominating Committee met on December 12, 2019 and approved the following recommended slate of officers:

- For Chair of the FGCU Board of Trustees: Trustee Blake Gable
- For Vice Chair of the FGCU Board of Trustees: Trustee Stephen Smith

Supporting Documentation Included: Memo from Committee Chair Robbie Roepstorff to Board Chair Blake Gable

Prepared by: Vice President and Chief of Staff Susan Evans

Legal Review: N/A

Submitted by: Vice President and Chief of Staff Susan Evans
MEMORANDUM

TO: FGCU Board of Trustees Chair Blake Gable
FROM: FGCU Board of Trustees Vice Chair, and Officers Nominating Committee Chair Robbie Roepstorff
DATE: December 12, 2019

SUBJECT: Recommended Slate of Chair and Vice Chair Board Officers for 2020-2022

The Florida Gulf Coast University Board of Trustees’ Officers Nominating Committee met today in a duly noticed meeting in response to your charge to adopt a recommended slate of Board Chair and Vice Chair officers for 2020-2022.

By unanimous vote, we are recommending to the full Board for action at the January 14, 2020 meeting approval of the following:

For Chair of the Florida Gulf Coast University Board of Trustees:

Trustee Blake Gable

For Vice Chair of the Florida Gulf Coast University Board of Trustees:

Trustee Stephen Smith

On behalf of the Officers Nominating Committee, Trustee Leo Montgomery will present the recommended slate on January 14. Thank you.
ITEM: __36__

Florida Gulf Coast University Board of Trustees
January 14, 2020

SUBJECT: Suspension of Board Bylaws Provision on Term of Office for Vice Chair

PROPOSED BOARD ACTION

Suspend the Florida Gulf Coast University Board of Trustees Bylaws provision on term of office for Vice Chair (IV.A., Officers), and substitute a term of office of January 14, 2020 through January 31, 2020 for the Vice Chair elected on January 14, 2020.

BACKGROUND INFORMATION

The Chair and Vice Chair officers of the FGCU Board of Trustees are scheduled to be elected by the Board on January 14, 2020. The FGCU Bylaws in Section IV. A., Officers state, “The term of office for Chair and Vice-Chair shall begin on February 1 and expire on the last day of January in the final year of said term.”

Trustee Robbie Roepstorff was elected by the Board in January 2018 as Vice Chair. The applicable term of office is February 1, 2018 through January 31, 2020. Since Trustee Robbie Roepstorff’s term on the FGCU Board of Trustees ends on January 6, 2020, there is a need to approve an earlier effective date for the new Vice Chair.

The FGCU Bylaws in Section XI., Miscellaneous Provisions, under E., Suspension of Bylaws, state, “Any provision of these Bylaws may be suspended in connection with the consideration of a matter before the Board by an affirmative majority vote of the members then serving.” As such, a majority vote of the Board can (1) suspend the Bylaws provision on term of office, and (2) substitute a term of office of January 14, 2020 through January 31, 2020 for the Vice Chair elected on January 14, 2020.

Supporting Documentation Included: N/A
Prepared by: Vice President and Chief of Staff Susan Evans

Legal Review: Vice President and General Counsel Vee Leonard (December 10, 2019)

Submitted by: Vice President and Chief of Staff Susan Evans