FLORIDA GULF COAST UNIVERSITY BOARD OF TRUSTEES

Tuesday, January 20, 2015               8:30 a.m. – 2:20 p.m.

COHEN CENTER BALLROOM, ROOM # 203-B
FLORIDA GULF COAST UNIVERSITY

Minutes

Members:
Present: Trustee Robbie Roepstorff – Chair; Trustee Dudley Goodlette – Vice Chair; Trustee Joe Catti (until 12:30 p.m.); Trustee Shawn Felton; Trustee Blake Gable; Trustee Tom Grady; Trustee Ann Hamilton; Trustee Dick Klaas; Trustee Kevin Price; Trustee Russell Priddy; Trustee Ken Smith; Trustee Domenic Volpi; and Trustee Rob Wells.

Not Present: None

Others:
FGCU Foundation Board of Directors Chair Miller Couse and FGCU Financing Corporation Board of Directors Chair Dick Ackert.

Staff: President Wilson Bradshaw; Senior Associate Provost and Vice President for Planning and Institutional Performance Paul Snyder; Vice President for Administrative Services and Finance Steve Magiera; Vice President for Student Affairs Mike Rollo; Vice President for University Advancement and Executive Director of FGCU Foundation Chris Simoneau; Vice President and Chief of Staff Susan Evans; Vice President and General Counsel Vee Leonard; Director of Internal Audit Carol Slade; Director of Board Operations, and Special Projects Amber Pacheco; Director of Media Relations Lillian Pagan; and Executive Assistant to the Vice President and Chief of Staff Valerie Whitaker.

Item 1: Call to Order, Roll Call, and Opening Remarks
Chair Roepstorff called the meeting to order at 8:31 a.m. Roll call was taken, with 13 Trustees participating, thus meeting quorum requirements. She welcomed newly-appointed Trustees Kevin Price and Ken Smith, and asked each Trustee to introduce himself. President Bradshaw also welcomed Trustee Price and Trustee Smith, then introduced Dr. Snyder for the 2015 – 2020 FGCU Strategic Plan Workshop presentation on behalf of Dr. Ron Toll, who was absent due to family bereavement leave.

Item 2: Workshop: FGCU Strategic Plan for 2015 – 2020 (See Tab #1)
Dr. Snyder presented the 2015 – 2020 FGCU Strategic Plan. He provided an overview of the planning and evaluation process, which includes the incorporation of feedback from the University Planning and Budget Council (UPBC) and the President’s Cabinet, and comprehensive internal and external
environmental scans. Dr. Snyder announced the workshop’s breakout groups and locations, and indicated which Trustees would serve as point people responsible for reporting to the full Board the feedback and comments offered. Dr. Snyder invited members of the public to sit in on any of the group meetings. Members of the Board relocated to the assigned meetings spaces for the purpose of discussing FGCU’s mission, vision and goals.

When the full Board reconvened, Trustee Felton reported for his breakout group. Trustee Felton’s group discussed the lack of specificity in the vision and mission statements and expressed that the statements as presented did not provide a sense of belonging specific to FGCU. Also, Trustee Felton said the group discussed the University’s focusing on regional needs in order to achieve national prominence; making the public aware of current University successes; and adding a Campus Climate goal.

Trustee Wells reported to the Board for his breakout group. Trustee Wells’ group focused on the mission statement and: 1) suggested adding the word “students” to the last sentence of the second paragraph to read “Working together, faculty, staff and students of the University”; 2) suggested enhancing the Science Technology Education and Math (STEM) specific academics in the statement; 3) requested clarity regarding the phrase “transform students’ lives in the Southwest Florida region” in the second paragraph; and 4) suggested adding “operational efficiency” to the third paragraph. Trustee Wells reported his group appreciated fewer proposed goals, but that it believed the goals were vague and a student life component is missing.

Trustee Goodlette reported to the Board for his breakout group. Trustee Goodlette said his group focused on a philosophical analysis on the mission and vision statements. He stated his group discussed FGCU’s successes and challenges; the Lucas Center; FGCU’s facilities; the outside factors that impact student success; and program transformations.

Board discussion about the vision and mission statements included: determining the audience for them; the lack of specificity to FGCU; the mission statement serving as the “how” and the vision statement serving as the “why”; the mission statement’s being included in the presidential performance goals; the mission and vision statements serving to narrow FGCU’s focus, and improve quality of faculty, coursework rigor, and FGCU prominence; Trustee accountability and ownership of the vision and mission statements; and next steps for the vision and mission statements and proposed goals.

President Bradshaw stated that in previous years, he has included the Strategic Plan in his annual performance goals presented to the Board for adoption. Also, he said the internal and external scans assist in determining the audience of stakeholders: students, faculty, staff, and state region that FGCU serves. He suggested it may be informative for Trustees to review the vision and mission statements of FGCU’s sister universities.

The Board continued discussion on the vision and mission statements including: what does FGCU want to be known for; what is the “why”; the context of the
discussion of the faculty/staff groups who reviewed the vision and mission
statements was the anticipated future state of the University; FGCU known as a
comprehensive university and now is the time to plan for what FGCU wants to be
known as regionally/nationally; the possibility of focusing on 1 to 3 programs that
would provide FGCU the reputation for being the prominent University in those
programs; FGCU can be known as a comprehensive university and a university
providing a prominent program.

Trustee Gable recommended the Board consider establishing a Strategic Plan
Committee.

President Bradshaw stated FGCU is leading in the State University System for
affordability and graduates securing employment and the approach for the
strategic planning process is how FGCU can be better. He stated he supports the
Board creating a committee to focus on the Strategic Plan.

Chair Roepstorff proposed that she appoint the Ad Hoc Committee for the FGCU
Strategic Plan 2015 – 2020 and the committee chair, in accordance with the
Board’s Bylaws. Trustee Catti motioned to establish the Ad Hoc Committee for
the FGCU Strategic Plan 2015 – 2020. Trustee Priddy seconded the motion.

Trustee Gable recommended Trustee Grady as Committee Chair, and Trustee
Priddy recommended that Trustees Price and Felton participate on the
Committee.

Trustee Catti amended his motion to include Trustee Grady as Committee Chair.
Trustee Priddy amended his second. Vice President and General Counsel Vee
Leonard stated that the Board Bylaws indicate committee chairs are to be
appointed by the Board Chair and thus the amended motion is unnecessary.

Trustee Catti rescinded his amended motion as did Trustee Priddy rescind his
second.

There was no public comment. The vote for the motion to establish an Ad Hoc
Committee for the FGCU Strategic Plan 2015 – 2020 was unanimous.

Chair Roepstorff appointed Trustee Grady as Committee chair and asked
Trustees interested in serving on the Committee notify Vice President and Chief
of Staff Susan Evans.

Item 3: Campus Master Plan Update for 2015 – 2025 (See Tab #2)

FGCU Director of Facilities Planning Tom Mayo and President of Campus
Planning Group Steven Gift (consultant) presented information on the Campus
Master Plan Update for 2015 – 2025. Mr. Gift described what a master plan is,
the value of a plan, and the Board’s role in the development and adoption of the
plan. In response to an inquiry by Trustee Klaas, Mr. Gift stated that discussions
with FGCU’s adjoining property owners and Lee County have begun as part of
the master plan process.
Item 4: Standing Report from FGCU Foundation Board of Directors

FGCU Foundation Board of Directors Chair Miller Couse gave the report from the FGCU Foundation Board of Directors. Mr. Couse’s report included several fundraising event updates, and he announced President’s Celebration is Saturday, February 7 at the Ritz-Carlton Golf Resort in Naples. Also, he stated the Foundation is investing additional resources to increase alumni giving participation; create an enhanced alumni culture of philanthropy; and encourage parent and student giving.

Item 5: Standing Report from FGCU Financing Corporation Board of Directors

FGCU Financing Corporation Board of Directors Chair Dick Ackert gave the report from the FGCU Financing Corporation. Mr. Ackert’s report included: the Financing Corporation’s Annual Audit; its unanimous decision to purchase a new scoreboard for Alico Arena; and bond ratings. Mr. Ackert introduced Executive Director of the FGCU Financing Corporation Curtis Bullock who discussed the status of the FGCU bond ratings situation. Mr. Bullock stated the bond ratings issue has not been resolved, but that they are working on it daily. Mr. Bullock reported that he has been in contact with the letter of credit bank contacts as well as the rating agencies, and revised agreements are in development.

Item 6: President’s Report

President Wilson Bradshaw again welcomed Trustee Price and Trustee Smith and introduced to the Board FGCU’s new Title IX Coordinator, Brandon Washington.

The President began with a recap of his most recent Tallahassee trip, which included: Chair Roepstorff’s and his attendance at Governor Scott’s Inauguration; his participation on a Performance-Based Funding panel in front of the Senate Appropriations Subcommittee on Education at the invitation of Chancellor Criser of the Board of Governors; and meetings with the Chair for the Senate Education Appropriations Committee, the Chair of the House of Representatives, and the Chair of the Senate Education Policy Committee. He stated he has been meeting with the local legislative delegation at the members’ district offices.

The President announced the first FGCU Day at the Capitol event scheduled to begin Monday, March 23, followed by a full day of meetings on March 24. He invited Trustees to join him in Tallahassee during one of his trips; at the Emergent Technologies Institute (ETI) groundbreaking on Tuesday, February 24 at 11 a.m.; and the President’s Celebration on February 7 at the Ritz-Carlton Golf Resort in Naples.

He shared with the Board Trustee Felton’s appointment to Board of Governors (BOG) Task Force for Strategic Planning for Online Education; announced the Carnegie Foundation for the Advancement of Teaching’s recognition of FGCU,
which awarded the University the 2015 Community Engagement Classification; commented on the success of the Night at the Nest fundraising event hosted by FGCU Athletics; and encouraged Trustees to attend this year’s Night at the Nest scheduled for Friday, December 4, 2015. Finally, the President recognized Butch Perchan’s many contributions to fundraising for FGCU Athletics, and the success of his retirement roast. He shared with the Board a copy of the NCAA Champion magazine, which featured an article on FGCU Women’s Basketball player Kaneisha Atwater.

**Item 7: Consent Agenda** (See Tabs #3 and #4)

Chair Roepstorff presented the Consent Agenda, which included the Minutes of the Board Meeting on December 10, 2014, and meeting dates for the 2015-2016 fiscal year. Chair Roepstorff also encouraged Trustees to attend the BOG meeting being held at FGCU on September 16-17, 2015.

Trustee Wells made a motion to approve the Consent Agenda. Trustee Hamilton seconded the motion. There was no public comment. Trustee Gable was not present at the time of the vote. The vote was unanimous in favor of the motion.

**Item 8: Finance & Administration Committee Meeting** (See Tabs #5, #6, #7, #8, #9, #10)

**Finance/Budget Update (Tab #5)**

Finance & Administration Committee Chair Wells asked Vice President for Administrative Services and Finance Steve Magiera to provide an informational update on the budget. Mr. Magiera said FGCU keeps the budget as-is and should a variance go above or below 5%, he will explain that variance to the Board. Mr. Magiera reviewed for the Board pages 1 and 2 under Tab #5: the budget variances as of December 2014.

**Regulation: FGCU-PR5.016 Disciplinary Actions (Tab #6)**

Vice President and General Counsel Vee Leonard presented a proposed language change on page 3 of 12 of Regulation: FGCU-PR5.016 Disciplinary Actions.

Ms. Leonard stated the language change would allow the president or vice president of the hiring division to hire an applicant who is a former employee previously discharged for cause, and described the two primary reasons for discharge, which are misconduct and lack of competence. Ms. Leonard explained the current policy does not allow an employee who was discharged for incompetence to be rehired even if the person acquired additional skills after he/she was discharged and then reapplied to the University.

The Board inquired as to whether the proposed language change to Regulation: FGCU-PR5.016 Disciplinary Actions was due to a current employee situation or if it is a prospective action. Ms. Leonard confirmed that changes were not recommended as a result of any current circumstance. Trustees questioned the
need for FGCU to rehire employees previously terminated for cause and
discussed the subjectivity of allowing vice presidents to permit rehires on an
individual basis. Board members indicated the growth of the University is likely
resulting in stronger candidate pools, and considering the rehire of employees
previously terminated for incompetence may not be necessary.

Ms. Leonard explained the FGCU Human Resources (HR) department brought
the proposed language change to the attention of the Office of the General
Counsel due to HR’s interaction with previously-terminated employees who
reapply for employment and are informed that they are ineligible for rehire. Also,
Ms. Leonard stated the proposed language change has been discussed
internally at President’s Cabinet meetings.

Ms. Leonard clarified that employees who fill temporary positions, those with
scheduled ending dates, are eligible for rehire as long as the employee was not
terminated for cause.

The President stated this is not an atypical practice in HR divisions and gives
executive leadership the authority to rehire.

Additionally, the Board expressed concern about the knowledge transfer during
the time frame an employee is terminated to the time the previous employee
reapplies for employment. Ms. Leonard stated at the discretion of the division
supervisor or vice president upon termination for cause, an employee is coded
within the HR database as being eligible or not eligible for rehire. Trustee Catti
suggested that the HR Director always be involved in the decision of coding the
employee as eligible or ineligible for rehire. The Board also discussed the liability
and ambiguity involved in the proposed language change.

President Bradshaw suggested Regulation: FGCU-PR5.016 Disciplinary Actions
be withdrawn from consideration to permit a possible return in the future with
revised language. The Board agreed to withdraw Regulation: FGCU-PR5.016
Disciplinary Actions from consideration.

**Regulation FGCU-PR5.023 Separation from Employment (Tab #7)**
The Board removed from consideration Regulation: FGCU-PR5.023 Separation
from Employment due to the language within the regulation regarding eligibility
for rehire of persons previously separated for cause. The Board asked Ms.
Leonard to bring back the Regulation for consideration of the other modifications
absent the rejected language.

**Regulation: FGCU-PR5.020 Grievance (Tab #8)**
Ms. Leonard presented Regulation: FGCU-PR5.020 Grievance and proposed
from the floor an addition to the “Definitions” section of the word “Days” which
begins on page 1 and continues onto page 2. The additional language takes into
consideration the University Winter Break and reads, “In the event of the time for
the Step One or Step Two Representative to issue a decision or the aggrieved
person to file a grievance falls during the University Winter Break, the Step One
or Step Two Representative or the grievant shall have an additional (5) days to
issue a decision.”
Trustee Klaas suggested an edit to Regulation: FGCU-PR5.023 Separation from Employment on page 2, paragraph 4A. Ms. Leonard stated that Regulation: FGCU-PR5.023 Separation from Employment has been withdrawn from consideration.

Trustee Hamilton made the motion to approve the changes to Regulation: FGCU-PR5.020 Grievance. Trustee Smith seconded the motion.

Also, Ms. Leonard proposed from the floor an additional insertion on page 3, the role of the Step One Representative under C:3 to include the words “fact finder” so it is clear that person is reviewing documents to determine the facts of the circumstances.

The Board asked Ms. Leonard to consider bringing back to the Board Regulation: FGCU-PR5.020 Grievance with all the included language additions made from the floor.

Trustee Hamilton rescinded her motion and Trustee Smith rescinded his second. The item was withdrawn from consideration by the Board.

**Fourth Amendment and Restatement of the FGCU Board of Trustees Bylaws (Tab #9)**

Ms. Leonard presented the Fourth Amendment and Restatement of the FGCU Board of Trustees Bylaws with an addition from the floor to include the word “Facilities” in the committee name titled “Finance and Administration” so that the revised Committee title will read “Finance, Facilities, and Administration” throughout the document.

Trustee Catti made the motion to approve the Fourth Amendment and Restatement of the FGCU Board of Trustees Bylaws with the addition of the word “Facilities” to the current Finance and Administration Committee title. Trustee Priddy seconded the motion. There was no public comment. The vote was unanimous in favor of the motion.

**FGCU 2015 Legislative Agenda (Tab #10)**

Director of Government Relations Jennifer Goen presented the FGCU 2015 Legislative Agenda. Ms. Goen distributed to the Board an updated, red-lined draft version of the Legislative Agenda for consideration.

Ms. Goen listed the priorities of the FGCU 2015 Legislative Agenda as: 1) University support of the BOG request for $100 million in new recurring funding in support of the Performance-Based Funding model; 2) $4,178,500 for Academic and Career Attainment Funding; 3) Public Education Capital Outlay (PECO) funding requests including $4 million for the construction of a South Access Road, $9 million for Central Energy Plant Phase 3, and $3,852,065 for STEM Lab Building Academic 9 planning and design; 4) Non-recurring funding request of $9.8 million for Student Health/Fitness Center; and 5) Resumption of both the Alec P. Courtelis Facilities Enhancement Challenge Grant Program and the Major Gifts Trust Fund.
Trustee Priddy suggested the addition of the phrase “and graduates” to the last sentence of the last paragraph on page 2 to read “It also will provide employment opportunities for our students and graduates.” He expressed concern about the request of the Student Health/Fitness Center to be funded by the State Legislature and indicated there may be alternative financing options available.

Ms. Goen provided clarification about the STEM Lab Building Academic 9 that the request for $3.8 million is for Phase 1: Planning and Design, and Mr. Magiera further clarified the total cost of the building would be about $40-45 million.

Trustee Priddy suggested three alternative funding methods for the Student Health/Fitness Center: 1) a short-term loan if acceptable by the Office of the Governor Scott; 2) request of an internal loan from the FGCU Foundation Board; or 3) a public/private partnership.

Vice President for University Advancement and FGCU Foundation Executive Director Chris Simoneau stated the Foundation does not have sufficient unrestricted funds to finance the entire cost of the Student Health/Fitness Center.

The Board consensus was that the Student Health/Fitness Center is a necessity with the number of currently enrolled students, and no longer a luxury item. The Board agreed that having the support of the local delegation for the FGCU 2015 Legislative Agenda is imperative. The Board discussed the potential drawbacks of requesting funding for both the Student Health/Fitness Center and the South Access Road at the same time, including one project being funded over the other.

Ms. Goen said during the Governor’s Inauguration events, the President spoke with the local delegation regarding the FGCU 2015 Legislative Agenda with the caveat that the Agenda had not yet been approved by the Board.

Mr. Magiera confirmed four design firms have been selected to submit a proposal for design of the Student Health/Fitness Center, and some money has been spent for marketing materials for fundraising purposes. Also, Mr. Magiera explained the monies generated from the student-paid Capital Improvement Trust Fund (CITF) fees are sent to the State and placed in a general funding pool to be allocated to all SUS institutions. In previous years, those monies were used for bonding. Mr. Magiera stated that CITF bonding not an option, his office spoke to the Board of Governors (BOG) office about the potential of an internal loan to be repaid with CITF cash distributions, but with the recognition that the University is not guaranteed to receive the same dollar amount that it contributes to the State in CITF fees. Mr. Magiera cautioned that if the University were to obtain an internal loan with the plan to repay it with CITF funds which are not currently being used for bonding, the University would have to find another way to repay the loan should bonding resume.

Trustee Goodlette and Trustee Grady gave their perspectives as former legislators. Trustee Goodlette stated responsible funding requests are important; however, he was concerned about the possibility of one project’s being funded...
over the other. He suggested moving forward with approving the FGCU 2015 Legislative Agenda and revisiting the Agenda at a later time should it be needed. Trustee Grady agreed with Trustee Goodlette and added that providing legislators an upfront prioritization of funding requests or exploring methods of reducing the funding requests through creative, possibly partnership, approaches would be better options.

Ms. Goen clarified that funding for the projects listed on the proposed Agenda are from separate funding sources. The President stated to the Board the only new item on the FGCU 2015 Legislative Agenda is the Academic and Career Attainment Funding and that the remaining items appeared on the FGCU 2014 Legislative Agenda.

Trustee Priddy made the motion to approve the FGCU 2015 Legislative Agenda with the addition of the words "and graduates" to the last sentence of the last paragraph of page 2 and to provide the legislators various options for funding of the Student Health/Fitness Center. Trustee Priddy asked Administration to explore in-house funding options for the Student Health/Fitness Center and report back to the Board at the next meeting. Trustee Gable seconded the motion. There was no public comment. The vote was unanimous of the motion.

Chair Roepstorff adjourned the meeting at 12:14 p.m. for lunch. The Board meeting resumed at 12:45 p.m.

Item 9: Academic/Student/Faculty Affairs Committee Meeting (See Tabs #11, #12, #13, and #14)

FGCU Quality Enhancement Plan: “Faculty Scholars: The University-wide Writing, Critical Thinking, and Literacy Initiative” (Tab #11)

Academic/Student/Faculty Affairs Committee Chair Ann Hamilton asked Dr. Snyder to present the Quality Enhancement Plan: “Faculty Scholars: The University-wide Writing, Critical Thinking, and Literacy Initiative (QEP).” Dr. Snyder stated the QEP is a key component of the Southern Association of Colleges and Schools (SACS) reaccreditation process, is designed to enhance student learning, and is faculty driven with input from the entire University community.

Additionally, he explained FGCU’s QEP is based on three essential skills: 1) written communication; 2) critical thinking; and 3) information literacy.

The Wall Street Journal Article: New On Campus: 3-Year Degree (Tab #12)

Chair Hamilton asked Trustee Grady to present Tab #12: Wall Street Journal Article: New On Campus: 3-Year Degree. Trustee Grady observed from the article that the 4-year degree program is problematic for most universities and that the 3-year program could be a magnet for a high-achieving, honors student who is likely to attend graduate school, thus allowing the University to continue to attract high quality students.
President Bradshaw explained the University’s Accelerated Collegiate Experience (ACE) program. He stated the program allows high-achieving high school juniors to take two years of coursework at the University, and then those students graduate high school with the equivalent of an Associate’s degree. He said it is a competitive program and the University is being more intentional in retaining ACE program students at FGCU.

The President further explained that the three-year degree program has been and is being tried by various universities with varying degrees of success. He said the ACE program does not have an impact on performance-based funding, and he will provide to the Board today the number of students enrolled in the ACE program.

The Board discussed the average University graduation rate is 4.5 years, with a 4-year graduation rate of 35% and a 6-year graduation rate of 49%; the impacts of college-level responsibility and coursework on maturing students; and the penalty for students with excess credit hours.

**Emergent Technologies Institute (ETI)**

Chair Hamilton asked FGCU’s Backe Chair in Renewable Energy Joseph Simmons, and FGCU Director of Facilities Planning Tom Mayo to present on the Emergent Technologies Institute (ETI). Mr. Simmons stated the ETI is an opportunity for the University to facilitate educational programs, have focused research and design, and have community outreach programs. Mr. Simmons explained several planned projects for the ETI. Mr. Mayo described the building construction schedule and reviewed the location, layout and design of the building.

Mr. Simmons updated the Board on a solar panel manufacturing company interested in relocating to the area as a result of the ETI; however, the company’s owner does not have a prospective project yet to justify the financial costs of building a new facility.

President Bradshaw explained to the Board the partners who have assisted in the beginning stages of the ETI’s success as Mr. John Backe’s $1 million gift and six acres of land donation, and State resources to build the facility.

**Faculty-Led Study Abroad (FLSA) Travel-Related Expenses (Tab #13)**

Chair Hamilton asked Dr. Snyder to present to the Board Tab #13 Faculty-Led Study Abroad (FLSA) Travel-Related Expenses. Dr. Snyder explained that, due to the University’s payment processing procedures, the University has to commit funds to the study abroad travel agency before a trip takes place; if a student should withdraw from the class or program, the University has to attempt to recoup as much of the committed funds as possible from the student. Dr. Snyder asked the Board to authorize the University to bill to participating students' University financial accounts for International Study Abroad Travel-Related Expenses.
Trustee Grady made the motion to authorize the University to bill to participating students' University financial accounts International Study Abroad Travel-Related Expenses. Trustee Klaas seconded the motion.

Vice President and General Counsel Vee Leonard confirmed for the Board that Administration does not have the authority to put International Study Abroad Travel-Related Expenses on students' financial accounts and the Board must approve authorization for the Administration to add these expenses to the students' financial accounts.

Vice President for Administrative Services and Finance Steve Magiera described that each travel abroad trip is different; occurs at different times in the year; trips have different expenses; and the different trip funds are due to the travel agency at various times. Mr. Magiera said the total travel-related expenses would be divided into three payments and posted to the students’ account pending the Board’s approval, and if the student has allowed his/her parent access to his/her account the parent would made aware of the expenses.

There was no public comment. The vote was unanimous in favor of the motion.

As a follow up to the question proposed during discussion for Tab #12: The Wall Street Journal Article: New On Campus: 3-Year Degree, Dr. Snyder stated there are 162 students currently enrolled in the Accelerated Collegiate Experience (ACE) program.

Regulation: FGCU-PR4.005 Student Activities Eligibility (Tab #14)
Chair Hamilton asked Vice President for Student Affairs Mike Rollo to present Regulation: FGCU-PR4.005 Student Activities Eligibility. Dr. Rollo explained the proposed amendment to Regulation: FGCU-PR4.005 Student Activities Eligibility is to require officers of Registered Student Organizations (RSOs) to report incidents of hazing to the University Police and the Dean of Students' Office. Dr. Rollo stated it is an ongoing effort to address hazing issues in the State of Florida, and the proposed amendment to the Regulation: FGCU-PR4.005 Student Activities Eligibility allows students to be a part of the solution.

Trustee Priddy made the motion to approve amendment to Regulation FGCU-PR4.005 Student Activities Eligibility. Trustee Volpi seconded the motion.

Dr. Rollo added that the expectation of student leaders is to be the responsible party to prevent hazing and that the Greek leadership and Student Government have been a part of the discussion in developing the amendment.

There was no public comment. The vote was unanimous in favor of the motion.
**Item 10: Audit Committee Meeting** (See Tabs #15, #16, #17, #18, and #19)

**Florida BOG University Data Integrity Audit (Tab #15)**
Chair Roepstorff asked Director of Internal Audit Carol Slade to present the Florida Board of Governors (BOG) University Data Integrity Audit. Ms. Slade stated that based upon the performed work, the University’s procedures and processes that are in place to ensure the completeness, accuracy and timeliness of data submissions to the BOG, which affect Performance-Based Funding metrics, are working effectively. Additionally, Ms. Slade said the firm Maudlin and Jenkins, CPA, conducted the audit, but that it was the University’s responsibility to conclude on the integrity of the data submissions based upon Maudlin and Jenkins’s report and relevant work completed by the FGCU Office of Internal Audit. She pointed out to the Board the word “finding” on page 9 is not a finding, but rather a statement from Maudlin and Jenkins that they are not providing an opinion as part of their engagement objectives. Lastly, Ms. Slade noted that the BOG has indicated for all the universities, the “Period Ending” date listed on page 1 of the BOG certification form should read “Academic Year 2013-2014” instead of “September 30, 2014.”

The Board inquired about the cost of the audit completed by Maudlin and Jenkins, CPA. Ms. Slade confirmed the audit cost was $24,500.

Trustee Klaas made the motion to accept the University Data Integrity Audit Report dated December 8, 2014. Trustee Hamilton seconded the motion. There was no public comment. The vote was unanimous in favor of the motion.

**Testing and Assessment Center Audit (Tab #16)**
Ms. Slade presented the Testing and Assessment Center Audit. Ms. Slade stated Internal Audit provided four observations to strengthen procedures and improve controls, which FGCU already has implemented. Also, Ms. Slade provided observations regarding the Center’s location and space limitations.

Trustee Hamilton made the motion to accept the Testing and Assessment Center Audit Report. Trustee Smith seconded the motion. There was no public comment. The vote was unanimous in favor of the motion.

**FGCU Foundation Independent Auditor’s Report (Tab #18)**
Chair Roepstorff called on Mr. Magiera to present. Mr. Magiera indicated that, with Chair Roepstorff’s consensus, he’d like to present Tabs #18 and #19 before Tab #17 to permit additional time to discuss Tab #17.

Mr. Magiera stated the firm CliftonLarsonAllen, LLP conducted the audit and provided a clean opinion with no comments to management.

Trustee Smith made the motion to accept the FGCU Foundation Independent Auditor’s Report (2013-2014). Trustee Price seconded the motion. There was no public comment. The vote was unanimous in favor of the motion.
FGCU Financing Corporation Independent Auditor’s Report (Tab #19)

Mr. Magiera presented the FGCU Financing Corporation Independent Auditor’s Report (2013-2014) to the Board. He said the audit firm Tuscan & Company, P.A. conducted the audit and provided a clean opinion with no comments to management.

Trustee Priddy made the motion to accept the FGCU Financing Corporation Independent Auditor’s Report (2013-2014). Trustee Smith seconded the motion. There was no public comment. The vote was unanimous in favor of the motion.

FGCU Financial Audit Report for Fiscal Year Ended June 30, 2014 (Tab #17)

Mr. Magiera presented the FGCU Financial Audit Report for Fiscal Year Ended June 30, 2014 to the Board. He stated the audit is conducted by the Auditor General and provided a clean opinion with no comments. Mr. Magiera called attention to page 13 and explained the first column titled “University” contains the University’s numbers as well as the FGCU Financing Corporation’s numbers and, for accounting purposes, the FGCU Financing Corporation is added to the University for a “blended presentation;” the second column titled “Component Unit” is strictly the FGCU Foundation’s numbers. He provided clarification on page 14 that under the “Liabilities” section, the “Bonds Payable” or “Loans Payable” are listed in the column titled “University” but belong to the FGCU Financing Corporation.

Additionally, Mr. Magiera explained the $16 million “Other Post-Employment Benefits Payable” listed under the Liabilities column is the state retirement plan, and if a University employee retires from the University he/she is eligible for a subsidy for his/her insurance; however, it has not been funded at the State Legislature level. The $16 million amount is the University’s portion of the liability even though it is a State plan, which also is displayed in aggregate on the State’s financial statements combined with the other State University System (SUS) universities.

Mr. Magiera explained only the Legislature has the authority to change the plan and the liability does not affect the University’s ability to sell debt nor does it affect the bond ratings. Also, Mr. Magiera made the Board aware that next year the State-funded pension plan will be listed under the University’s liabilities even though it is a State plan.

The Board expressed concern that the State does not have the insurance subsidy funded, only portions of the Pension Plan funded, and that there is not a plan in place by either the State or FGCU to fund these liabilities.

Also, the Board was concerned about the “Compensated Absences Payable” liability, which is specific to FGCU and describes accrued sick leave. Mr. Magiera and Ms. Leonard clarified that employees hired prior to September 30, 2013 must be employed with the University for 10 years before they are eligible to be paid out one-fourth of their unused sick leave up to a maximum of 480 hours should they leave the University and employees hired after October 1, 2013 will not be paid for any unused sick leave upon separation from the University (FGCU Policy 3.034 Sick Leave).
Mr. Magiera addressed some of the Board’s concerns regarding the unfunded State Pension Plan liability by explaining the State has funded a portion of the liability by requiring employees to contribute 3% of their pay to their retirement.

Trustee Grady requested for the next Board meeting a report on the actuarial accrued liabilities and whether the Board has the discretion to manage the liability.

Trustee Goodlette made the motion to accept the FGCU Financial Audit Report for the Fiscal year ended June 30, 2014. Trustee Wells seconded the motion. There was no public comment. The vote was unanimous in favor of the motion.

**Item 11: Standing Report from FGCU Faculty Senate**

President Bradshaw asked Faculty Senate President and Trustee Felton to make the standing report for Faculty Senate. Trustee Felton announced Faculty Senate Vice President Dr. Billy Gunnels has moved to an out-of-unit faculty position and Dr. Sandra Pavelka was elected to Faculty Senate Vice President. Then Trustee Felton gave an update on the Faculty Senate 2014-2015 initiatives and described additional Senate work, including: planning the academic calendar; examining the Professional Development Fund Awards; monitoring on-going legislation related to higher education; and organizing an ad hoc team to examine the feasibility of a universal faculty promotion document. Finally, he said the Faculty Senate is finalizing the transition from the Student Assessment of Instruction (SAI) to the Student Perception of Instruction (SPoI) and highlighted several faculty-related events.

**Item 12: Standing Report from FGCU Staff Advisory Council (SAC)**

President Bradshaw asked FGCU Staff Advisory Council (SAC) President Nicole Black to give the SAC report. Ms. Black gave an update on SAC’s 2014-2015 goals. She announced SAC’s 4th annual Soar Into Spring professional development series for University employees will be hosted March 2 – 6, 2015; described steps for continued improvement in communication between SAC and Administration; and the steps SAC is taking to build a stronger relationship between SAC and the Office of Human Resources.

**Item 13: Standing Report from FGCU Student Government**

President Bradshaw asked Student Government President and Trustee Domenic Volpi to give the standing report for Student Government. Trustee Volpi gave an update on Azul’s Flight art submission and school spirit project, and announced the FGCU Club Hockey team has been funded. Trustee Volpi stated Student Government elections are nearing, and it is finalizing the budget process. Trustee Volpi expressed his appreciation for the Board conversation on and support of the Student Health/Fitness Center on the proposed 2015 Legislative Agenda.
Item 14: Old Business (See Tab #20)
Chair Roepstorff opened the floor for discussion on the FGCU Board of Trustees’ Separate Committee Meetings (Tab #20). The Board expressed appreciation for the information regarding the meeting patterns of the State University System (SUS) boards of trustees; however, the Board consensus was to maintain its current practice of operating as a Committee of the Whole.

Chair Roepstorff stated for the record that during her five-year tenure on the Board she annually discussed with the Board various meeting structure options.

Trustee Goodlette made the motion to maintain the current meeting structure of a Committee of the Whole. Trustee Priddy seconded the motion. There was no public comment. The vote was unanimous in favor of the motion.

Item 15: New Business
Trustee Priddy requested in the next Finance, Facilities, and Administration Committee meeting the Board discuss a change in policy for regarding the president’s authority to amend the budget by 5%, and the possibility of establishing a new policy to ensure a reserve funds goal above the 5% State mandate.

Finance, Facilities, and Administration Committee Chair Wells stated he would work with Administration on this request.

Item 16: Chair’s Closing Remarks, & Meeting Adjournment
Chair Robbie Roepstorff stated the next Board of Governors (BOG) meeting will take place January 21 – 22, 2015 at the University of North Florida; announced the next FGCU Board meeting will be April 21, 2015; and encouraged continued work of the special and ad hoc committees.

The meeting was adjourned at 2:25 p.m.

Minutes submitted by Secretary Valerie Whitaker

Agenda Items:
A. Tab #1: http://www.fgcu.edu/Trustees/AgendaFile/2015/01-20-2015/TAB_1.pdf
B. Tab #2: http://www.fgcu.edu/Trustees/AgendaFile/2015/01-20-2015/TAB_2.pdf
D. Tab #4: http://www.fgcu.edu/Trustees/AgendaFile/2015/01-20-
2015/TAB_4.pdf
E. Tab #5: http://www.fgcu.edu/Trustees/AgendaFile/2015/01-20-
2015/TAB_5.pdf
F. Tab #6: http://www.fgcu.edu/Trustees/AgendaFile/2015/01-20-
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G. Tab #7: http://www.fgcu.edu/Trustees/AgendaFile/2015/01-20-
2015/TAB_7.pdf
H. Tab #8: http://www.fgcu.edu/Trustees/AgendaFile/2015/01-20-
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I. Tab #9: http://www.fgcu.edu/Trustees/AgendaFile/2015/01-20-
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J. Tab #10: http://www.fgcu.edu/Trustees/AgendaFile/2015/01-20-
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K. Tab #11: http://www.fgcu.edu/Trustees/AgendaFile/2015/01-20-
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L. Tab #12: http://www.fgcu.edu/Trustees/AgendaFile/2015/01-20-
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M. Tab #13: http://www.fgcu.edu/Trustees/AgendaFile/2015/01-20-
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O. Tab #15: http://www.fgcu.edu/Trustees/AgendaFile/2015/01-20-
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P. Tab #16: http://www.fgcu.edu/Trustees/AgendaFile/2015/01-20-
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Q. Tab #17: http://www.fgcu.edu/Trustees/AgendaFile/2015/01-20-
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R. Tab #18A and Tab#18B:
S. Tab #19: http://www.fgcu.edu/Trustees/AgendaFile/2015/01-20-
2015/TAB_19.pdf
T. Tab #20: http://www.fgcu.edu/Trustees/AgendaFile/2015/01-20-
2015/TAB_20.pdf

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