FLORIDA GULF COAST UNIVERSITY BOARD OF TRUSTEES

CONFERENCE CALL MEETING

Tuesday, May 5, 2020

Florida Gulf Coast University

Meeting Minutes

Members:
Present (by phone): Trustee Blake Gable – Chair; Trustee Stephen Smith – Vice Chair; Trustee Ashley Coone; Trustee Darleen Cors; Trustee Richard Eide, Jr.; Trustee Joseph Fogg III; Trustee Jacob Goldman; Trustee James MacDonald; Trustee Leo Montgomery; Trustee Edward Morton; Trustee Kevin Price; Trustee Jaye Semrod; and Trustee Kenneth Smith.

Others:
Staff (by phone): 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.

NOTE – At the direction of the Chair and with the concurrence of the Board, some agenda items were taken out of order. The minutes reflect the actual order of the proceedings. The numbering of agenda items reflects revisions to the original agenda.

Item 1: Call to Order, Roll Call, Opening Remarks, and Welcome to New Trustee (and Student Government President) Jacob Goldman

Chair Blake Gable called the meeting to order at 9 a.m. He welcomed all Trustees and noted due to COVID-19 and social distancing requirements, the following for the record:

- The meeting was duly noticed in accordance with the Board’s Bylaws.
- The original agenda was revised as indicated in the meeting notice.
- All participants were calling in to the meeting.
- Public access was provided through a noticed web link for audio access; and...
• The meeting notice directed any public comment on an agenda item to be emailed to Vice President and Chief of Staff Susan Evans by 5 p.m. on Friday, May 1. Public comment will be read into the record prior to the vote, and the three-minute time limit on public speaking will apply.

Chair Gable asked Ms. Evans to call the roll. Roll call was taken with all Trustees participating, thus meeting quorum requirements. Ms. Evans noted that no public comments had been submitted for the meeting.

Chair Gable welcomed newly elected Student Government President Jacob Goldman as a new Trustee to the FGCU Board of Trustees (BOT). Trustee Goldman thanked Board members for their welcome and said he was excited to be working on the Board for the next year. Chair Gable congratulated Trustee Goldman, and said the Board looks forward to meeting him in person at a future meeting.

Item 2: Report on COVID-19 and FGCU
Chair Gable said today’s agenda would begin with an update on COVID-19 and FGCU. He indicated President Martin and his staff have done an excellent job working through these unprecedented times.

President Mike Martin stated FGCU had coped well with the pandemic issues to date and was positioned reasonably well for whatever came next. He indicated FGCU was focusing on four principles:

• Protect the health, safety and well-being of FGCU students, faculty, staff, and community;
• Ensure delivery of high-quality coursework/programs which lead to high-quality degrees;
• Sustain FGCU’s core superstructure and infrastructure; and
• Minimize the possibility of layoffs, furloughs, program eliminations, or other serious displacements.

President Martin indicated in addition to the four principles, FGCU also tried to be a good partner with other agencies in the region to assist in any way possible. He stated FGCU assembled a Coronavirus Response Team with regular meetings and continuing to address issues arising regarding COVID-19. He said efforts were being made to ensure students, faculty, staff, and the community stayed connected. He indicated there had been 54 COVID-19 updates presented thus far on the FGCU website, 5 video updates, and various email communications and social media communications, as well as traditional media communications. He stated FGCU had only four cases of COVID-19, and none of these were contracted while on campus. He indicated of the four cases, three were students and one was an employee. He stated in a couple of these cases, students came to campus and were tested positive for COVID-19 later on; in each of these instances FGCU closed and sanitized the building each student had been
President Martin stated that early on FGCU decided to freeze all hiring and travel, and make only the most essential purchases. He noted refunds were issued for students who lived in residence halls and were on meal plans during the spring semester: $4.25 million was returned to students for housing and $1.17 million for meal plans. He indicated he believed the second installment of the Federal CARES Act would allow FGCU to be reimbursed for this loss. He explained the first installment of the CARES Act was $5.5 million earmarked to go to students; this was being processed by the Office of Financial Aid & Scholarships to help students in need of assistance as a result of COVID-19.

President Martin indicated a plan was developed to maintain jobs, as much as possible. He said to date FGCU was able to keep both the essential personnel on campus and essential personnel who could work from home, fully employed. He noted a talent sharing pool had been created for temporary reassignment of employees. He noted FGCU may come to a point where some layoffs would be essential. He stated he hoped this would not be the case but, if so, the layoffs would be handled as humanely as possible. He noted FGCU may need to consider salary reductions, but at this point he believed FGCU was in good condition and could weather the storm.

President Martin stated summer enrollment was up, particularly with transfer students; therefore, tuition revenues this summer would be sound. He said that the University would not receive the regular amount of revenue as would be typical for the residence halls over the summer. He noted projections for the incoming freshman class for the fall looked good, and were very close to the target set for traditional restart. He indicated along with the Coronavirus Response Team was an Emergency Advisory Council, led by Director of Emergency Management Ruth Rodrigues, consisting of several sub-teams planning for different scenarios for the fall semester such as: starting online and converting to normal classes, starting fully as a “regular” University with some constraints, etc. He said FGCU was in continual conversation with the other 11 State University System (SUS) institutions and the Board of Governors (BOG). He stated he believed the BOG would give broad parameters on restarting a regularly operating campus; however, each university would be able to operate within its own context and within its own set of challenges. He explained FGCU was different from some of the other universities; for example, Florida International University (FIU) was in the heart of the hottest spot with respect to COVID-19 in the state; FIU likely would need to take a different approach to reopening than FGCU. He stated he hoped to be able to test (for COVID-19) a large portion (if not all) of the students, faculty, staff, and others, including contractors. He stated the State University System (SUS) presidents in discussions with the BOG agreed to make no definitive announcements regarding fall restart until July 1, while COVID-19 was being carefully monitored. He noted it was the intention of FGCU to look like a “regular” university in the fall, but many conditions were beyond the control of FGCU, and it would be difficult to determine until it was closer to the fall start date.
President Martin stated FGCU would move forward soon with two construction projects: Academic Building 9 (AB9) and the Entrepreneurship Building. He explained they were moving forward with the buildings because the dollars associated with those projects could only be spent on those projects. He reported AB9 was funded from Public Education Capital Outlay (PESCO) funds, which were designated by law to go to specific construction projects. He noted the Entrepreneurship Building was now completely funded by donors, and FGCU had exceeded donation goals this year. He stated he was pleased to be able to add to FGCU’s needed space inventory while creating jobs for the community with utilizing these dedicated dollars. He reported the remodeling of the weight room and other spaces in Alico Arena was currently underway; these remodeling projects also were completely donor funded by the Sublett family. He reported the Sale Family scoreboard, thanks to a $1 million donation, was up and functional on the baseball field.

President Martin indicated he would continue to keep the Board updated regarding COVID-19. He summarized: FGCU made an excellent response on March 15 when converting normal teaching to online teaching; staff and Information Technology Services stepped up, and in three days all traditional teaching completely was transitioned to online. He stated he believed FGCU would be able to transition back easily to traditional teaching when appropriate. He stated FGCU was prudent enough with finances to have no concerns regarding meeting bond obligations or meeting operational needs. He noted he would be reviewing other possible reorganizations to promote cost savings and greater efficiencies. He indicated he was proud of all FGCU faculty and staff members on campus. He commended Vice President and Chief of Staff Susan Evans for her extensive and effective efforts while working from home and keeping everyone on task. He stated he believed the FGCU response team was “as good as could be found in the country.” Chair Gable thanked President Martin, Vice President Evans, and all members of the team.

**Item 3: Consent Agenda** (See Tabs #1-2, 5-8)

Chair Gable indicated there were six items on the Consent Agenda: (1) Minutes of January 14, 2020 Meeting; (2) Minutes of February 18, 2020 Conference Call Meeting; (3) Regulation: FGCU 1.006 Whistle-Blower Reporting and Protection; (4) Regulation: FGCU 3.005 Graduate Admissions; (5) Regulation: FGCU 2.001 Undergraduate Admissions; and (6) Twelfth Amendment and Restatement of the Florida Gulf Coast University Foundation Inc. Bylaws.

Trustee Jamie MacDonald made a motion to approve the Consent Agenda. Trustee Darleen Cors seconded the motion.

There was no public comment, or Board discussion. The vote was 13-0 in favor of the motion.
Item 4: Academic/Student/Faculty Affairs Committee (See Tabs #11-13)
Committee Chair Edward Morton stated there were three action items on the agenda. He called on Provost and Vice President for Academic Affairs James Llorens to present the action items.

FGCU 2020 Accountability Plan (TAB #11)
Provost and Vice President for Academic Affairs James Llorens said the FGCU 2020 Accountability Plan demonstrated the impact of the actions taken by FGCU as a University. He explained it was an annually mandated plan required by Florida law implemented in regulations by the Board of Governors (BOG), included key initiatives and investments and key achievements in the past year, and was complemented by a section on metrics. He stated these metrics included performance funding measures, key performance indicators, and institutional metrics associated with FGCU’s Strategic Plan. He noted enrollment projections and new academic program plans rounded out the report on the accountability plan.

Provost Llorens stated the 2020 Accountability Plan was built on the momentum of the past year with continuing focus on the recruitment of talented students, meeting workforce needs in Southwest Florida, and applied research to address issues critical to Southwest Florida. He indicated FGCU continued to make strong progress on key performance metrics associated with student success, and prominent among these were: the four-year graduation rate, average cost to the student, degrees awarded without excess hours, and degrees awarded to Hispanic and African-American students. He said the outstanding performance this year should result in the highest performance-based funding point total ever recorded by FGCU, at a projected 88 points out of a total of 100. He noted while it was still too early to understand the full impact of COVID-19, the BOG has indicated it would likely restrict its review of the metrics at its June meeting to the attainment of the current year’s metric goals, as opposed to a discussion of projected goals and what universities expected to accomplish. He commented the BOG asked institutions to think of projected out-year metric goals as aspirational or “stretch targets,” and due to the time lag associated with reporting for most of the metrics, the impact of the pandemic would likely not adversely affect metric performance until after the 2022 reporting year. He noted the BOG intended to consider appropriate adjustments to the metric scoring benchmarks in the coming months; with this in mind, FGCU would probably adjust its out-year projections. He also noted FGCU met or exceeded goals in seven of the 10 metrics. He indicated the Student Success and Enrollment Management Initiative under Vice President for Student Success and Enrollment Management Mitch Cordova and his team had done an excellent job in moving the University forward. He asked for approval to send the 2020 Accountability Plan to the BOG.

Trustee MacDonald noted this was the second consecutive year the chemistry program was recognized by the American Chemical Society. He commended the FGCU chemistry program.
Trustee Morton indicated that as a recent former member of the BOG, he felt FGCU had made a tremendous amount of progress under President Martin’s administration. He stated he believed the 2020 Accountability Plan would reflect very well on FGCU as it moved into the future.

Trustee Stephen Smith made a motion to approve the FGCU 2020 Accountability Plan. Trustee MacDonald seconded the motion.

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

**New Degree Program: Bachelor of Science in Resort and Hospitality Administration (TAB #12)**

Provost Llorens said the new degree program of Bachelor of Science in Resort and Hospitality Administration (RHA) was replacing the existing degree in Resort and Hospitality Management (RHM). He stated FGCU conducted studies and utilized consultants to make enhancements to the existing degree program. He indicated that moving to a more business-oriented approach would increase the competitiveness of students completing this degree program and would offer the resort and hospitality industry in Southwest Florida a more adequately prepared graduate. He explained this new degree was a change in the Classification of Instructional Program (CIP) code. He said the current degree program (RHM) was closed to new applicants. He noted as these changes were made to the degree program, FGCU would be eligible to seek accreditation from the Association to Advance Collegiate Schools of Business (AACSB); previously the program was accredited only under the Accreditation Commission Program in Hospitality Administration (ACPHA), which was significantly less rigorous than AACSB accreditation. Provost Llorens noted the RHM Advisory Board agreed wholeheartedly that the program was moving in the right direction with the changes. He stated approval of the Bachelor of Science in Resort and Hospitality Administration by the FGCU BOT was the first step in the Board of Governors (BOG) new degree program authorization process; following which, faculty would be evaluated for the program. He asked for the Board’s support in approval of this new degree program to submit to the BOG. He noted once the BOG approved the program, FGCU would begin accepting new students into the program.

Trustee S. Smith noted he was involved with the Lutgert College of Business Dean search and in the process had learned about this program. He stated while he did not know much about the hotel industry, he was familiar with the resort and golf industry. He indicated he was concerned about the types of positions new graduates would qualify for upon graduation which have a high wage. He noted there were not many high-wage positions available for student graduates within local golf/residential community environments. He stated upon attempting to find internships for students in this industry, there was resistance as students could make more money parking cars at a resort. He noted unless internships were mandatory, students would not pursue an internship in this field. He recommended requiring a short period of internship for
graduation, noting that internships provided firsthand experience and excellent
preparation for participation in a field. He stated he was a big supporter of the program.

Provost Llorens responded that FGCU was not eliminating the Bachelor of Science in
PGA Golf Management (PGM); this program would be retained in its current CIP code.
He noted this new resort and hospitality administration degree program was much more
rigorous and business-oriented, and would increase the level of expertise needed to
make graduates more competitive for jobs at a higher management level. He said there
would be more of an emphasis on business administration courses and on developing
the skills needed for middle- and higher-level management positions in resort and
hospitality administration.

Trustee Ashley Coone asked if students currently in the RHM degree program would
complete their program as is or would they be affected by the degree program change.
Provost Llorens responded that existing students would follow the existing curriculum
program degree requirements. He explained if a student dropped out for a semester or
two, however, the student would be required to re-enter with the new curriculum.
Trustee Coone asked if the information regarding taking time off had been conveyed to
the students currently in the RHM degree program. Provost Llorens responded in the
affirmative, saying students were aware of the change in the degree program and the
consequences of taking time off from the current degree program.

Trustee MacDonald asked about expected effects upon the teach-out plan for the RHM
degree program if a student took a “sabbatical” during the COVID-19 crisis. Provost
Llorens stated this would be examined on a case-by-case basis; FGCU would be
flexible as long as required standards set by the Southern Association of Colleges and
Schools (SACS) and the BOG were met.

Trustee Joseph Fogg made a motion to approve New Degree Program: Bachelor of
Science in Resort and Hospitality Administration. Trustee Cors seconded the motion.

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

**Florida Postsecondary Comprehensive Transition Program (FPCTP) Grant (TAB #13)**

Provost Llorens said this agenda item was a grant proposal for the Florida
Postsecondary Comprehensive Transition Program. He explained the grant responded
to the Florida Postsecondary Program Act former Governor Rick Scott signed in 2016,
the purpose of which was to “increase independent living, inclusive and experiential
postsecondary education, and employment opportunities for students with intellectual
disabilities through degree, certificate, or non-degree programs.” He stated FGCU was
proposing the creation of the Soaring Eagles Academy (SEA), which would be FGCU’s
method of providing the benefits of the legislation to the citizens of Southwest Florida.
He explained this would give students the opportunity to serve as paid academic and
social mentors for SEA students. He noted this was a $7,000 per year grant; FGCU
also was applying for a three-year $900,000 grant. He noted the SEA would aid in
expanding FGCU’s services to students with disabilities. He asked for the Board’s
permission to submit the grant application to the Board of Governors.

Trustee MacDonald made a motion to approve the Florida Postsecondary
Comprehensive Transition Program Grant. Trustee Kevin Price seconded the motion.
There was no public comment, or Board discussion. The vote was 13-0 in favor of the
motion.

**Item 5: Finance, Facilities and Administration Committee** (See Tabs #14, 17-20)

Committee Chair Ken Smith stated there was one information item and four action items
on the agenda. He asked Vice President for Administrative Services and Finance, and
Executive Director of FGCU Financing Corporation Steve Magiera to present the items.

**Finance/Budget Update (TAB #14)**

Mr. Magiera presented Tab #14 which contained the Finance/Budget Update for the
fiscal activities for the close of March 2020. He reviewed the Executive Summary
Revenues which indicated:

(1) Total revenues had a favorable variance of 2.54 percent, which equated to
approximately $5.6 million.

(2) Athletic Revenue was up approximately $590,000 which was strictly a timing
issue and was the result of a change in timing when transfers were made from
their Foundation accounts.

(3) Concessions were up approximately 22.30 percent, or $70,000. He noted with
campus not being active for the last couple of months, this number would most
likely balance out.

(4) Financial aid was up about 9.51 percent, or $2.7 million. He explained annually,
financial aid was a difficult item to budget as projects were prepared in May prior
to understanding the needs of students who would not arrive on campus until
August; usually if there was an increase in the financial aid revenues, there was
also an increase in actual financial aid expenditures over budgets.

(5) Grants associated revenue was up 23.92 percent, or $1.9 million. He explained
grants and associated revenue was the other line item, like financial aid, which
was difficult to estimate because the grants received often had different fiscal
years than the University and some were on the reimbursement basis. He
indicated the Federal CARES Act revenue would flow through this line item by
the end of the year providing a positive budget variance.

(6) In total, $4.6 million of the $5.6 million variance was the result of the financial aid
and grants associated revenue.

Mr. Magiera reviewed the Expenditures:

(1) Total expenditures had a favorable variance of 0.47 percent, which equated
approximately $970,000.
(2) Other Personal Services – 7.31 percent, or $720,000. He stated when the University’s colleges and departments had delays in hiring, often adjuncts or temporary workers were hired to fill in the gaps; this resulted in a negative variance in Other Personal Services, but also had the effect of a positive variance in the Salaries and Benefits line item.

(3) Capital Expenditures – 121.83 percent, or $685,000. He noted this was a very small number but was related to the purchase of a few unexpected items such as additional ice tanks for the Chiller Plant and refrigeration equipment for food service.

**Fixed Capital Outlay Budget Quarterly Update (TAB #17)**

Mr. Magiera said this was a new report this year. He stated this quarterly update to the Board addressed the progress of previously approved projects over $100,000. He explained that unlike the budget which started over annually, this was a living document, and projects would be carried over to next year if not completed. He reviewed the changes from the previous meeting, which were in bold on the spreadsheet:

1. Lines 8 and 9 – The WGCU Transmission Tower Replacement/WMKO Tower Project had an additional grant funding source which was a reimbursable grant. He explained this was the reason the project was currently in a negative position, but the project would not be negative once the grant reimbursed the project.

2. Line 13 – Campus Dining – SoVi Dining. He explained originally this project was designed to be a much larger renovation at $1.035 million; the project was changed for a number of reasons and had been scaled back to $350,000.

3. Line 22 – Lutgert Hall 1300. He noted this project was now complete, and the unused amount of $1,878 was returned to the carryforward fund.

4. Line 23 – Alico Arena Phase 2 Remodel. He indicated he had informed the Board of this project but had not requested budget approval as the project initially was planned to begin next fiscal year; however, due to the current circumstances and lack of activity on campus, now was an appropriate time to work on the project, and therefore, he was requesting budget approval.

5. Line 24 – Center for Entrepreneurship and Innovation. He indicated the Board was notified of the project but was not requested to approve the budget due to the project initially not being scheduled to begin until after July. He explained due to the good work of Vice President for University Advancement and Executive Director of FGCU Foundation Kitty Green and staff, the money was raised for this project, and the project was ready to move forward. He noted the project increased from $8 million to $10 million. He explained this year use of a budget amount of $400,000 was being requested; next year the remaining balance would be requested.

Mr. Magiera commented the Fixed Capital Outlay Budget was a new living document which would be updated and reported quarterly and would require approval quarterly if there were any changes.
Trustee Leo Montgomery made a motion to approve the Fixed Capital Outlay Budget Quarterly Update. Trustee Fogg seconded the motion.

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

Amendment to 2018-2021 Collective Bargaining Agreement between Florida Gulf Coast University Board of Trustees and Gulf Coast Police Benevolent Association (TAB #18)

Mr. Magiera said this was the Agreement that had been worked out with the University Police Department (UPD). He noted this was unanimously approved by UPD. He indicated this was a very fair contract. He stated the approval of the Board was needed, and following its approval, President Martin would sign the Agreement so that the raises could be distributed to the police officers.

Trustee MacDonald made a motion to approve the Amendment to 2018-2021 Collective Bargaining Agreement between Florida Gulf Coast University Board of Trustees and Gulf Coast Police Benevolent Association. Trustee Jaye Semrod seconded the motion.

Trustee Fogg asked Mr. Magiera to briefly review the important points of the contract.

Mr. Magiera explained the UPD was asking for raises. He noted upon review of police salaries, it was discovered that starting salaries for officers were good; however, mid-range salaries were lacking. As a result, mid-range salaries were being increased.

Trustee Fogg asked how UPD salaries compared with similar universities' police salaries in the State University System.

Mr. Magiera indicated FGCU’s salaries were comparable. He noted salaries in universities varied widely by location; for example, FIU police made higher salaries due to FIU being located in Miami. He explained FGCU police salaries when compared to the City of Fort Myers or Cape Coral were different; however, it was a very different job description. He noted the UPD understood this as well.

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

Regulation: FGCU 5.014 Employee Political Activity (TAB #19)

Mr. Magiera stated changes were made to the FGCU Regulation in an effort to provide more clarity for employees who wished to participate in political activity. He explained if an employee wished to seek election, that employee needed to inform FGCU and there would be a discussion regarding how the employee’s job would be affected if elected. He indicated the Regulation also addressed employees who supported political candidates; employees were not permitted to speak on behalf of the University in support of political candidates. He noted these employees also should try not to appear
on camera wearing FGCU apparel containing the logo or other university-identifying marks.

Trustee Fogg made a motion to approve Regulation: FGCU 5.014 Employee Political Activity. Trustee Montgomery seconded the motion.

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

**Regulation: FGCU 5.006: Criminal and Background Checks (TAB #20)**

Mr. Magiera said this regulation was being adjusted to bring FGCU into best practices. He noted there were two changes: FGCU now would be utilizing two different levels of criminal background checks depending on the position, where previously only one level of background check was conducted. He noted the Assistant Vice President for Human Resources and the hiring official would determine which positions required Level 1 or Level 2 background checks. He indicated this information would be included in position advertising. He noted reference was made to “a position of special trust” in the Regulation; this was an employee who would be handling sensitive data such as student records, or a position handling money such as a cashier.

Trustee S. Smith made a motion to approve Regulation: FGCU 5.006: Criminal and Background Checks. Trustee Cors seconded the motion.

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

**Item 6: Audit and Compliance Committee (See Tabs #23-29)**

Audit and Compliance Committee Chair Joseph Fogg said the Audit and Compliance Committee met by conference call on May 1. He indicated there was one Committee action item and six Board action items.

**Minutes of May 1, 2020 Audit and Compliance Committee Conference Call Meeting (TAB #23)**

Trustee Fogg indicated this first item was a Committee action item to approve the minutes of the May 1, 2020 Audit and Compliance Committee Conference Call meeting. He called for a motion.

Trustee S. Smith made a motion to approve the Minutes of May 1, 2020 Audit and Compliance Committee Conference Call Meeting. Trustee Montgomery seconded the motion. There was no public comment, or Committee discussion. The vote was 4-0 in favor of the motion, with Committee members Joseph Fogg, Darlene Cors, Leo Montgomery, and Stephen Smith voting.

Trustee Fogg called on Director of Equity, Ethics and Compliance, and Title IX Coordinator Precious Gunter to present the next two action items.
Compliance and Ethics Program Plan (TAB #24)
Ms. Gunter said Board of Governors Regulation 4.003 required the FGCU Board of Trustees (BOT) to implement and approve a comprehensive Compliance and Ethics Program Plan. She stated on February 20, 2018, the FGCU BOT approved the University’s first Program Plan. She indicated the applicable Regulation also required the Chief Compliance Officer to review and monitor the Program Plan and make recommendations for changes when necessary to the Audit and Compliance Committee (ACC) and the full Board for approval.

Ms. Gunter stated the Program Plan had been amended to align with recent changes to the Audit and Compliance Committee Charters as approved by the Audit and Compliance Committee and the FGCU Board of Trustees. She said one of the notable changes was the addition of quarterly meetings between Trustee Fogg, President Martin and her, as well as general clean-up of the document.

Trustee Fogg noted this was a final culmination of discussions which had been held over the last several months. He called for a motion.

Trustee Montgomery made a motion to approve the Compliance and Ethics Program Plan. Trustee MacDonald seconded the motion. There was no public comment, or Board discussion. The vote was 13-0 in favor of the motion.

2019 Annual Compliance Report (TAB #25)
Trustee Fogg noted in the Audit and Compliance Committee meeting on Friday, May 1, the question was raised regarding whether certain aspects of the report should also apply to the FGCU Board of Trustees (BOT) and the answer was it should; therefore, there was a slight amendment to the Report reflecting this.

Ms. Gunter said Board of Governors Regulation 4.003 also required an annual report on the University’s Compliance Program. She stated the 2019 Annual Compliance Report covered the calendar year of January 1, 2019 to December 31, 2019. She indicated it highlighted FGCU’s comprehensive compliance, ethics, and risk program accomplishments, and included compliance partner reports. She indicated on page 36 of the Annual Compliance Report, under section Conflicts of Interest and Commitment, third bullet point, the FGCU BOT was added to the existing list of entities whose members must complete Conflict of Interest forms (this was the amendment made and approved by the Audit and Compliance Committee on May 1).

Trustee Cors made a motion to approve the 2019 Annual Compliance Report as amended. Trustee S. Smith seconded the motion. There was no public comment, or Board discussion. The vote was 13-0 in favor of the motion.

Trustee Fogg called on Director of Internal Audit William Foster to present the next four action items.
Florida Gulf Coast University Operational Audit Report for January 2018 through December 2018 (TAB #26)

Mr. Foster said in accordance with Section 11.45, Florida Statutes, the State of Florida Auditor General conducted operational audits of the universities at least every three years. He said the purpose was to evaluate management’s performance in establishing and maintaining internal controls, including those designed to prevent and detect fraud, waste and abuse and in administering assigned responsibilities in accordance with applicable laws, rules, regulations, contracts, grant agreements, and other guidelines.

Mr. Foster indicated in the report three issues were identified:

(1) IT user access privileges, or access to social security numbers. He said employees who needed access to employee social security numbers, such as payroll related, were automatically granted access to student social security numbers and vice versa. Mr. Foster said this was a built-in limitation to the existing Banner system used by FGCU, and would be resolved with adoption of the new Workday system scheduled to begin July 1, 2020.

(2) Textbook affordability. Florida Statutes required 95 percent compliance with textbooks to be posted at least 45 days ahead of class start. He noted for the audit period of spring 2018 and fall 2018, FGCU had 86 percent and 78 percent compliance noted. He indicated after the audit period in spring 2020, with enhanced procedures, FGCU had 97.4 percent compliance, meeting the 95 percent requirement. He said textbook affordability also was a finding in the prior operational report, and FGCU must continue efforts to meet and maintain the 95 percent requirement.

(3) Employment practices. He noted for the period of April 16, 2018 through December 18, 2018, of 28 hires tested, five did not have copies of the interview and background check forms available on file in Human Resources. He indicated this was addressed by initiating mandatory training for hiring panels and committee members, and by adding a search material follow-up as a specific job function in the human resources area to ensure University procedures were followed.

Trustee Montgomery made a motion to accept the Florida Gulf Coast University Operational Audit Report for January 2018 through December 2018. Trustee S. Smith seconded the motion.

Trustee Fogg indicated a lengthy discussion of this audit was held at the Audit and Compliance Committee Meeting. He stated this was essentially a very good audit report.

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

Florida Gulf Coast University Athletics National Collegiate Athletics Association (NCAA) Report for Year ended June 30, 2019 (TAB #28)

Mr. Foster stated the National Collegiate Athletic Association (NCAA) Bylaws provided this audit report could not be performed by employees of the University. He said there was a lot of data on equity. He noted FGCU had 9 women’s and 6 men’s sports. Mr.
Foster said his main concern this year was a loss of $68,170, since Athletics is required to be a self-supporting entity. He noted this loss was due to a reduction in ticket sales (primarily men’s basketball ticket sales). Mr. Foster said his concern was making sure that in future years when anticipated revenues decline, spending also declines so as to remain within budget.

Trustee Montgomery made a motion to accept the Florida Gulf Coast University Athletics National Collegiate Athletics Association (NCAA) Report for Year ended June 30, 2019. Trustee S. Smith seconded the motion.

Trustee Fogg indicated a fair amount of time was spent discussing this audit at the Audit and Compliance Committee Meeting. He stated essentially money was lost as a result of a shortfall of ticket sales for the men’s basketball program.

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

**Florida Gulf Coast University Student Loan Information Audit Report (TAB #27)**

Mr. Foster said this Report represented a limited scope audit of the loan information letters sent to FGCU students receiving loans for the 2017-18 and 2018-19 academic years respectively, to comply with Section 1009.45, Florida Statutes. He stated beginning with the 2017-2018 academic year, Florida postsecondary institutions which disbursed state financial aid must annually provide students receiving student loans with a “loan summary.” He stated Florida Gulf Coast University’s Office of Financial Aid & Scholarships entered into a service agreement with a third party, Ascendium Education Solutions Inc., for its “College Cost Meter” service to provide students with a loan debt disclosure or overview of the total monies students borrowed and the amount students were expected to pay back once the students were no longer in school. He reported in the Internal Audit Department’s opinion, based on the audit work performed, the loan information summary was provided in a timely manner to eligible FGCU students for both years under review; it contained all the data required by law except for first-time borrowers, the loan summary letter was missing the percentage borrowed which was one of the required elements. He indicated the Office of Financial Aid & Scholarships had identified and addressed this issue with the vendor and appropriate changes would be implemented on all future loan summary letters.

Trustee Fogg indicated this Audit also was thoroughly discussed during the Audit and Compliance Committee (ACC) Meeting. He stated the ACC was extremely displeased the outside vendor overlooked this requirement which was important information for the students. He noted the ACC asked Mr. Foster to speak with the vendor regarding this issue. He called for a motion.

Trustee Cors made a motion to accept the Florida Gulf Coast University Student Loan Information Audit Report. Trustee Montgomery seconded the motion.
There was no public comment, or further Board discussion. The vote was 13-0 in favor of the motion.

WGCU Public Media Audit Report for Years ended June 30, 2019 and June 30, 2018 (TAB #29)

Trustee Fogg indicated WGCU Public Media was a significant and substantial operation financially and was an important part of the FGCU family.

Mr. Foster said this Report presented the results of the audit required by the Corporation for Public Broadcasting for the comparative years ended June 30, 2019 and June 30, 2018, respectively. He indicated the purpose of the audit, which was required for all public media radio and television stations, was to document and review the financial activity of the University's public media function. He reviewed the key points of the Financial Audit:

- Pages 1 and 2 – Opinion – The auditors determined the financial statements fairly presented the financial position of the Station. He noted this was known as a clean opinion, which was the goal.
- Pages 3 through 6 – Management's Discussion and Analysis – This was the section where Management described in reader-friendly terms what occurred in the last fiscal year. He noted this section pointed out major transactions and presented comparative figures from the prior year.
- Page 7 – Statement of Net Position – Years ago, this statement was known as the Balance Sheet. He reported at year end June 30, 2019, the Station had $9.8 million of total assets, $3 million in total liabilities, and a net position (residual equity) of $6.8 million. He stated at year end June 30, 2018, the Station had $5.1 million of total assets, $1.1 million in total liabilities, and a net position (residual equity) of $4 million.
- Page 8 – Statement of Revenues, Expenses and Changes in Net Position – This statement was formerly known as an Income Statement. He stated for the year ended June 30, 2019, the Station had $8.8 million in operating revenue, $8.9 million in operating expenses, and $2.9 million in non-operating revenue ($2.8 million of which was Public Education Capital Outlay, or PECO, allocation from the State), arriving at a net increase of $2.8 million. He stated for the year ended June 30, 2018, the Station had $9.2 million in operating revenue, $9.1 million in operating expenses, and $0.1 million in non-operating revenue (primarily investment income), arriving at a net increase in position of $0.2 million.
- Page 9 – Statement of Cash Flows – This statement showed the effects to cash from the financial transactions. He reported the net effect for the year ended June 30, 2019 was an $85,572 increase in cash and cash equivalents for the year, and for 2018 a $2,992 decrease.
- Pages 10 through 24 – Notes to the Financial Statements – He noted this section contained a significant amount of information to explain the various line items in the financial statements; compared to Management's Discussion and Analysis, these notes were not necessarily as reader-friendly.
Trustee Montgomery made a motion to accept the WGCU Public Media Audit Report for Years ended June 30, 2019 and June 30, 2018. Trustee MacDonald seconded the motion.

Trustee Fogg commented this was a completely clean opinion. He stated Trustee Price was the BOT representative on the WGCU Board, and asked if Trustee Price had any comments. Trustee Price noted he recently had received updates regarding good viewership numbers, but had nothing significant to report.

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

**Item 7: Old Business**

There was no old business for discussion.

**Item 8: New Business**

There was no new business for discussion.

**Item 9: Closing Remarks, and Adjournment**

Chair Gable stated the next FGCU Board of Trustees meeting was scheduled for Tuesday, June 9, 2020. He indicated he would be in touch regarding what type of meeting would be held on June 9, based on COVID-19 social distancing requirements. He thanked the Trustees for their participation in today’s meeting, and also thanked President Martin and the staff.

Chair Gable adjourned the meeting at 10:34 a.m.
Agenda Items:
A. See Tabs #1-29
   a. https://www2.fgcu.edu/Trustees/AgendaFile/2020/05-05-2020/FGCUBOTMTG_AGENDAPACKET_5-5-2020Revised.PDF

Attachment:
A. Record of Votes
## Record of Votes
**FGCU Board of Trustees**
**DATE:** 5/5/2020

<table>
<thead>
<tr>
<th>TRUSTEES</th>
<th>Yes/No</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Trustee Ashley Coone</td>
<td>Yes/No</td>
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<tr>
<td>2 Trustee Darleen Cors</td>
<td>Yes/No</td>
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<tr>
<td>3 Trustee Richard Eide</td>
<td>Yes/No</td>
</tr>
<tr>
<td>4 Trustee Joseph Fogg</td>
<td>Yes/No</td>
</tr>
<tr>
<td>5 Trustee Jacob Goldman</td>
<td>Yes/No</td>
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<tr>
<td>6 Trustee Jamie MacDonald</td>
<td>Yes/No</td>
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<tr>
<td>7 Trustee Leo Montgomery</td>
<td>Yes/No</td>
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<tr>
<td>8 Trustee Edward Morton</td>
<td>Yes/No</td>
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<tr>
<td>9 Trustee Kevin Price</td>
<td>Yes/No</td>
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<tr>
<td>10 Trustee Jaye Semrod</td>
<td>Yes/No</td>
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<tr>
<td>11 Trustee Kenneth Smith</td>
<td>Yes/No</td>
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<tr>
<td>12 Trustee Stephen Smith</td>
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<tr>
<td>13 Trustee Blake Uable</td>
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<thead>
<tr>
<th>Consent Agenda (Tabs #1-2, 5-8)</th>
<th>MacDonald 2: Cors</th>
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<tbody>
<tr>
<td>FOGCU 2020 Accountability Plan (Tab #11)</td>
<td>MacDonald 2: MacDonald</td>
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<tr>
<td>New Degree Program: Bachelor of Science in Resort and Hospitality Administration (Tab #12)</td>
<td>MacDonald 2: Fogg</td>
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<tr>
<td>Florida Postsecondary Transition Program (FFCTP) Grant (Tab #13)</td>
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<tr>
<td>Fixed Capital Outlay Budget Quarterly Update (Tab #17)</td>
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<tr>
<td>Amendment to 2018-2021 Collective Bargaining Agreement between FGCU Board of Trustees and Gulf Coast Police Benevolent Association (Tab #18)</td>
<td>MacDonald 2: MacDonald</td>
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<tr>
<td>Regulation: FOGCU S.014 Employee Political Activity (Tab #19)</td>
<td>MacDonald 2: Fogg</td>
</tr>
<tr>
<td>Regulation: FOGCU S.006 Criminal and Background Checks (Tab #20)</td>
<td>MacDonald 2: Fogg</td>
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<tr>
<td>Compliance and Ethics Program Committee Only: Minutes of May 1, 2020 Audit and Compliance Committee Conference Call Meeting (Tab #23)</td>
<td>MacDonald 2: Montgomery</td>
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<tr>
<td>2019 Annual Compliance Report (Tab #25)</td>
<td>MacDonald 2: Montgomery</td>
</tr>
<tr>
<td>Florida Gulf Coast University Student Loan Information Audit Report (Tab #28)</td>
<td>MacDonald 2: Montgomery</td>
</tr>
<tr>
<td>Florida Gulf Coast University Athletics National Collegiate Athletics Association (NCAA) Report for Year ended June 30, 2019 (Tab #28)</td>
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</tr>
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**FGCU Board of Trustees**