

Florida Polytechnic University
Board of Trustees

Board of Trustees Meeting

DRAFT MEETING MINUTES

**Wednesday, September 5, 2018
1:30 PM-3:00 PM**

Florida Polytechnic University, 4700 Research Way, Lakeland, FL 33805

I. Call to Order

Chair Don Wilson called the Board of Trustees meeting to order at 1:30 p.m.

II. Roll Call

Kris Wharton called the roll: Chair Don Wilson, Vice Chair Cliff Otto, Trustee Philip Dur, Trustee Frank Martin, Trustee Henry McCance, Trustee Travis Hills, Trustee Bob Stork, Trustee Adrienne Perry, Trustee Jim Dewey, Trustee Dick Hallion, Trustee Louis Saco, and Trustee Gary Wendt were present (Quorum).

Staff present: President Randy Avent, Provost Terry Parker, Ms. Gina Delulio, Mr. Mark Mroczkowski, Mr. Kevin Aspegren, Mr. Rick Maxey, Mrs. Kris Wharton, Mr. David Calhoun, Dr. Tim Shedd, Ms. Michele Rush, Mrs. Kim Abels and Mrs. Maggie Mariucci were present.

III. Public Comment

There were nine requests received for public comment; therefore, each person was given two minutes to speak. Marshall Ogletree, Joanne McCall and Rhea McKinney addressed the Audit & Compliance Committee Report. Veronica Perez Hererra, Matt Bohm, Tim Shedd, Dana Kwiatkowski, and Jim Mennie addressed the Academic and Student Affairs Committee Report. Dr. Rich Matyi ceded his public comment time to student parent Kathy Matthews.

IV. Chairman's Remarks

Chair Wilson addressed the Board of Trustees' role in collective bargaining. This Board is the ultimate decision maker in that process; however, until a contract comes before this board, Trustees are unable to comment. Chair Wilson urged the President to get the contract resolved.

Chair Wilson then thanked everyone who spoke during the Public Comment time and stated his appreciation for their involvement.

Chair Wilson thanked Trustee Frank Martin for his past two years of service as Chair of the Board and presented him with a mahogany plaque. Trustee Martin expressed his appreciation to the Board for their service during his tenure as Chair.

V. President's Remarks

President Avent addressed the loss of one of our students to suicide on August 1 and expressed the University's sympathy, support, and condolences to the family. He stated that the University remains committed to let the family continue to grieve in private. Continuous counseling has been provided to students, staff, and faculty over the past month and these opportunities have been communicated on numerous occasions.

President Avent reviewed the timeline of decision-making for the changes in the University's mental health counseling system. Consideration for a new system began in the fall of 2017. While the University met the minimum state requirement of one counselor to 1,000-1,500 students, there were limitations with that model, including the limited expertise and availability of a sole counselor; an inability to scale services during high-stress times of the academic year; and the inability of staff or faculty to follow up on a student of concern. It was determined that a networked model of mental health care would better meet the needs of the University's students. This model utilizes a Case Manager instead of a counselor; the Case Manager is not a clinician, but someone who assists students in obtaining appropriate care.

To deliver services, the University expanded its existing contract with BayCare. There is a mental health counselor onsite for a minimum number of hours each week; however, additional hours of service can be dynamically provisioned as need increases. BayCare has multiple counselors with counseling expertise in a wide-range of mental health issues. The contract also guarantees maximum wait-times for students to be able to see a counselor, depending on the nature and urgency of their need. Students now have options as to where they meet with the counselor, whether on campus or offsite at the BayCare facility. BayCare also provides training to our staff and faculty on how to recognize students in need and how to connect them to the Case Manager.

This decision was not a cost-cutting measure. The counselor was replaced with a Case Manager and the contract with BayCare was substantially increased. This decision was methodical, deliberate, and well thought-out since October of 2017.

The counselor was laid off before the July 4th holiday when not many students were on campus. The University communicated the new model with students and reminded them that the method for seeking mental health counseling remained the same. In the interim, Dr. Kathryn Miller assisted students in accessing care.

The University reached out to students to ensure their awareness of how to seek services.

President Avent then addressed United Faculty of Florida (UFF) union issues. The University respects the right of students, staff, and faculty to speak and to rally; healthy debate is encouraged on campus, as one of the University's cultural fundamentals is, "debate, then align." However, the allegations by the UFF both today and in the media, are being used in an effort to influence negotiations between the University and the UFF. Negotiations have seen good progress over the past year, but have not yet reached an agreement. One of the ground rules established between the two entities includes that each party would provide the other an opportunity to review a copy of any press release prior to its publication. This did not happen with UFF's release dated August 23. The University and UFF had agreed to work together in a cooperative, collaborative, and professional manner throughout the collective bargaining process. It's clear that the UFF has chosen not to adhere to these ground rules and continues to make false accusations, using the media to promote their agenda. The University is committed to continuing the negotiation process, however, must defend itself against unfair attacks, including the accusation the University has acted in a retaliatory manner. The University recently did make the decision not to offer new contracts to several faculty members, including two individuals who have been active in the union. This decision came

from a thorough review of the entire faculty and how each member contributes to the entire institution. The Mechanical Engineering department must have faculty with credentials based on degrees or experience that supports quality delivery of the courses that are a core part of the degree. University Administration must make management decisions that most appropriately align staff with the needs of the University. President Avent called for the union to stop the public display and come back to the bargaining table in good faith on September 12.

President Avent then turned his comments to the new strategic plan for the University before introducing a video that visualizes “Florida Poly 2.0”. He reviewed the major accomplishments of the University to date, particularly areas of growth that occurred just this past year.

President Avent reviewed three key areas of focus going forward: enrollment of high-quality students; appropriate faculty and staff; and facilities. He then shared the vision for a “live, work, play” research park to the west of the current campus, followed by the video.

VI. Entrepreneurship Program

Dr. Tim Shedd gave a presentation on the progress of Florida Poly’s Entrepreneurship Program as well as plans for the future of the program. He reviewed the milestones of this past year and shared that 12% of Florida Poly graduates indicated that they either started their own business while at the University or planned to once they graduated.

Dr. Shedd reviewed four major thrusts that will accomplish the department’s mission and vision: curriculum; programs along-side the curriculum; hands-on experience; and SBIR/STTR opportunities. He also covered the Certificate in Entrepreneurship which will launch summer 2019, and the Phoenix Nest, which is a virtual startup incubator. Finally, Dr. Shedd reviewed a timeline of deliverables over the coming year.

Trustee Otto inquired if the University is connected to local incubators. Dr. Shedd responded in the affirmative, sharing Florida Poly has students utilizing space at Catapult in Lakeland. Justin Heacock is connected to local incubators and they are expanding connections into Tampa and Orlando as well.

Trustee Hills expressed appreciation for the work Dr. Shedd and Mr. Heacock are doing in the area of entrepreneurship. He stated that this program helps Florida Poly stand out from other institutions.

Trustee Martin asked how many students to date have started companies. Tom Dvorske stated he will obtain the actual number and report back to Trustee Martin.

VII. Funding Future Scholarships

President Avent reviewed Florida Poly’s ranking on the performance based funding chart, based on 2016-2017 data. It is important to continually review these metrics and ensure we are working to improve areas that have low scores. There is a direct correlation between retention rate and SAT scores, and four year graduation rates and SAT scores.

President Avent reviewed plans for enrollment growth, the Florida Poly discount rate, and the discount rate model. He also reviewed the dollar amounts required over the next five years in order to fund the incoming classes.

Discussion then turned to how to fund this vision. President Avent reviewed the four “buckets” of money within the Foundation: unrestricted funds; scholarship money; endowment; and restricted funds. Two

“buckets”, scholarship and unrestricted money, are the only two available with which to fund the incoming classes.

President Avent reviewed the history of the Foundation’s finances, stating that in 2015, the Foundation Board made a pledge to raise the scholarship money for the second class, not understanding that a “pledge” created a liability to the University. The Foundation Board has agreed to pay back that liability over a ten-year period, of which two annual payments have been received.

Two options for resolving the outstanding pledge amount were discussed. The recommended option is for the Foundation to continue to pay its 10-year pledge (with 8 years remaining) and to keep the waiver authority at its current maximum amount of \$4.5M with an increase in potential revenue over time, which provides funds to increase class quality and allow time to build the Foundation.

Trustees Wendt and Stork expressed interest in Option 1 which involves the University forgiving the pledge. Forgiving the pledge does not necessarily change the need for a waiver authority, the amount needed would just be less.

Trustee Hills reminded the Board that the Student Government Association (SGA) is currently supporting the student body on half of its operating budget. Fee waivers cuts the money the SGA receives for their activities.

Trustee Hallion shared his concern that forgiving the pledge would not be favorable public relations for the University. However, Trustee Wendt stated that seeing a deficit in the Foundation’s budget is not attractive to donors. Chair Wilson expressed his confidence in the recommendation of President Avent and Mark Mroczkowski to allow the Foundation to complete paying its pledge and keep the maximum waiver authority amount at \$4.5M.

Kevin Aspegren stated it would create a difficulty to deplete the unrestricted fund account as unrestricted funds are the most difficult to raise. At the same time, he understands that donors do not want to give money that is just going towards paying off a liability; however, when the situation is explained to donors, they understand the liability is not the same as a bank loan or other unsecured debt. Mr. Aspegren agrees that the Foundation should follow through and pay the pledge.

Consensus among the Trustees and staff is to not change anything at the moment; President Avent will conduct additional research on the ramifications of both options and bring that information back to the Board in December.

Due to the fact that the University Admissions department needs to have the financial aid package finalized for next year’s incoming class, a vote is needed to approve a maximum of \$4.5M in waiver authority to fund the next class.

Trustee Cliff Otto made a motion to approve a maximum of \$4.5M in waiver authority for the 2019-2020 incoming class. Trustee Louis Saco seconded the motion; a vote was taken and the motion passed unanimously.

XII. Committee Reports

A. Audit & Compliance Committee Meeting Report:

Committee Vice Chair Dick Hallion gave a review of the Audit & Compliance committee meeting and sought board approval for five items:

1. The Committee discussed an invitation from the Board of Governors to Chair Wilson and President Avent to report on the following items from the operational audit at their September 12th meeting:
 - a. Anti-hazing contract finding: The Committee discussed an operational audit finding that the University should retain only that portion of the unspent \$500,000 which covers administrative costs. The amount to be retained was determined using the federal minimum threshold of 10% of expenditures. The University spent \$1.7 million on the anti-hazing program therefore administrative costs of \$170,000 will be deducted from the \$500,000. The remaining \$330,000 will be returned to the State of Florida.
 - b. Foundation: In response to an audit finding about the Foundation's fiscal status, David Blanton explained that the Foundation's negative balance results from a Foundation commitment to raise \$5 million for scholarships which should have been a commitment to "do its best" to raise the money. That commitment will be met over a ten-year period and has not affected the University's ability to meet all scholarship awards made to students. In addition, no state funds have been or will be used to make salary payments to administrators whose salaries exceed the \$200,000 threshold.
2. Annual Report – 2018: The Committee evaluated the performance of 2017-18 fiscal year compliance and audit activities against the approved plan.

The Committee recommends approval of the Audit & Compliance Annual Report for 2018 which summarizes the activity of the audit and compliance functions for the 2017-18 fiscal year. Trustee Adrienne Perry seconded the motion; a vote was taken and the motion passed unanimously.

3. Risk Assessment & Activity Plan 2019: The Committee considered whether the Audit and Compliance Work Plan is aligned with the University's strategic plan, objectives, and applicable risk and whether this plan provides for the effective use of Audit and Compliance resources for the 2018-19 fiscal year.

The Committee recommends approval of the 2018-19 fiscal year "Risk Assessment and Activity Plan" for Audit and Compliance. Trustee Cliff Otto seconded the motion; a vote was taken and the motion passed unanimously.

4. Operational Audit Report: The Committee reviewed the findings from the Auditor General's Operational Audit and determined that management's responses to the findings provide for sufficient corrective action.

The Committee recommends approval of the Auditor General's Operational Audit and management's responses to the findings. Trustee Adrienne Perry seconded the motion; a vote was taken and the motion passed unanimously.

5. Investigative Report 2018-01: The Committee reviewed findings from University Audit & Compliance's Investigative Report 2018-01, which covered 11 different allegations from an anonymous letter sent to the Board. The Committee also considered whether management's response to those findings deemed significant were appropriate.

The Committee recommends approval of Investigative Report 2018-01 and management's responses to the investigation. Trustee Gary Wendt seconded the motion; a vote was taken and the motion passed unanimously.

6. Investigative Report 2019-01: The Committee reviewed University Audit & Compliance's Investigative report 2019-01 (Counseling and Behavioral Health Services). None of the allegations were sustained.

The Committee recommends approval of Investigative Report 2018-01. Trustee Gary Wendt seconded the motion; a vote was taken and the motion passed unanimously.

B. Academic & Student Affairs Committee Meeting Report:

Committee Chair Dick Hallion gave a review of the Academic & Student Affairs Committee meeting. The Committee discussed the Committee membership and charter as well as the Work Plan, noting the ability for Committee members to request special items in terms of reporting.

The Provost's report highlighted several items, including admissions numbers, financial aid needs, and enrollment growth plans. Dr. Parker also reviewed the new delivery model for counseling services for students.

A four-year graduation rate improvement plan was presented; this plan includes a dashboard that will be used at Board meetings to update trustees on the University's progress.

The new degrees approved by the Board in May (Engineering Mathematics, Engineering Physics, and Environmental Engineering) are actively being developed. The University will host two site visits for ABET accreditation in the fall semester.

Ten new faculty were welcomed to the University in August. Significant changes to the graduate program were reviewed and a strong entering graduate class was noted. Recent and planned activity for technology and pedagogy were also reviewed.

C. Finance and Facilities Committee Meeting Report

Committee Chair Frank Martin gave a review of the Finance and Facilities Committee meeting and sought approval for one item:

1. 4th Quarter Financial Review for June 30, 2018: The Committee received a report of the University's and the Foundation's financial results for the year ended June 30, 2018. The University finished the year with financial results consistent with the previous three quarters. Revenues exceeded expectations in the areas of financial aid and tuition, and expenses were well within budgetary limits.

The Foundation experienced revenue expansion over the prior year and continues to make progress with its growth plan. It has made substantial progress on payment of its scholarship pledge commitment.

2. Contract Review: The Committee received a report on six new contracts in excess of \$200,000, utilized for improvements to classroom and lab equipment, a new copier contract, and hurricane damage repair. No contracts in excess of \$500,000 were presented for Board approval.

3. **Building Update:** The Committee received an update on construction projects on campus including:
 - a. **Applied Research Center:** Design is in progress and programming is almost complete. The University anticipates the first estimate from the Construction Manager, based on the schematic design, by the December Board meeting where a design update will be provided.
 - b. **IST:** Improvements were made to classrooms and labs for equipment replacement and upgrades.
 - c. **Food Venues:** Einstein Bros Bagels and Tu Taco were completed this summer by Chartwells, the University's food service partner.
4. **Foundation Board:** **The Committee unanimously recommends approval of the following candidates for service on the Foundation Board: Phillipa Greenberg; Jack Harrell, III; Michael B. Lawley; and Marlene O'Toole for two year terms; and Seretha Tinsley and Paul Blake for reappointment to three year terms. Trustee Dick Hallion seconded the motion; a vote was taken and the motion passed unanimously.**

D. **Governance Committee Meeting Report:**

Committee Vice Chair Louis Saco gave a review of the Governance Committee meeting and sought approval for one item:

1. **Governance Committee Charter Review:** The Committee reviewed the revised charter and is recommending the board approve the revised charter. This item is on the Consent Agenda.
2. **Governance Committee Workplan:** The Committee also reviewed and approved the Work Plan for 2018-2020.
3. **2019 Government Relations Plan:** Kathy Mizereck gave a presentation on the 2019 government relations plan. She reviewed the current legislative budget requests and described her advocacy plan for promoting those items. The committee is recommending the approval of the plan and it is on the consent agenda.
4. **Federal Relations Activity Update:** Rick Maxey gave an update on federal relations activity. He reviewed visits to Washington D.C. where President Avent met with agency administrators at several agencies including an Assistant Secretary at the US Department of Education and the Defense Advanced Research Projects Agency. He also informed the committee of several grant proposals the University plans to pursue for autonomous vehicles, entrepreneurship and economic development.
5. **Discussion of BOT Self Evaluation Results and Goals:** The Committee reviewed the areas presented at the last Board meeting by the consultant, Carol Cartwright, on the outcome of the Board's self-evaluation that she thought might be considered for improvement. Each Committee member shared the three or four items they thought should be focused on in the coming year; the items were discussed and a consensus formed.

The Committee recommends approval of the following goals:

1.7 Seeks out and considers diverse and competing points of view when discussing critical issues.

5.5 Uses the executive committee to coordinate the work of the Board and shape meeting agendas.

5.6-8.1 on the priorities chart

5.6 Structures board meetings to include time for substantive discussions.

6.3 Productively explores ideas by engaging in robust discussions.

7.2 Board focuses its time on issues of greatest consequences.

8.1 Focus more of the board's attention on issues of strategic importance to institution.

8.5 Increase its knowledge of the institution's educational programs.

Trustee Dick Hallion seconded the motion; a vote was taken and the motion passed unanimously.

E. Strategic Planning Committee Meeting Report:

Committee Vice Chair Cliff Otto gave a review of the Strategic Planning Committee meeting and sought approval for one item:

1. Strategic Planning Committee Charter Review: The Committee reviewed its charter and did not recommend any changes.
2. Strategic Committee Workplan: The Committee reviewed and approved the Work Plan for 2018-2020.
3. Strategic Plan: President Avent reviewed the University's strategic plan. The plan included narrative to support the goals previously adopted by the Board at its May 2018 meeting. University staff will add graphics and photographs to the plan and submit it to the Board of Governors as required by BOG regulation.

The Committee recommends approval of the strategic plan as presented. Trustee Adrienne Perry seconded the motion; a vote was taken and the motion passed unanimously.

4. 2016-2017 Equity Report: Rick Maxey gave an update on the University's equity report. The report is required by BOG regulation and will be submitted on behalf of the Board of Trustees to the BOG. The report outlined the status of diversity among the student body, faculty and staff. It compares diversity at the University to that among our peers and other public universities in the State University System. The report also contains our plans for addressing diversity over the coming year.
5. University Relations Update: The Committee received a report on the University's efforts in marketing and communications. The University Relations staff outlined initiatives designed to increase the visibility of the University, strengthen its brand identity and strengthen the relationship with various media outlets.

XIII. Consent Agenda

Trustee Bob Stork made a motion to approve the following items on the consent agenda:

A. Governance Committee

1. **Governance Committee Charter**
2. **2019 Government Relations Plan**

B. Strategic Planning Committee

1. 2016-17 Equity Report

C. Board of Trustees Meeting

- 1. Approval of May 22, 2018 Board of Trustees Workshop Minutes**
- 2. Approval of May 22, 2018 Board of Trustees Meeting Minutes**
- 3. Approval of June 29, 2018 Board of Trustees Transition Meeting Minutes**

Trustee Dick Hallion seconded the motion; a vote was taken and the motion passed unanimously.

X. Board of Trustees Meeting Calendar

Trustee Dick Hallion made a motion to approve the following Board meeting dates for 2020:

- **February 26, 2020**
- **May 19-20, 2020**
- **September 9, 2020**
- **December 2, 2020**

Trustee Bob Stork seconded the motion; a vote was taken and the motion passed unanimously.

XI. Board of Governors' Meetings

Chair Don Wilson reviewed upcoming Board of Governors meetings, especially emphasizing the Board Summit in November.

XII. Closing Remarks and Adjournment

With no further comments, the meeting adjourned at 3:50 p.m.