



Governance Committee Meeting

Wednesday, December 5, 2018
10:00 am – 11:00 am

Florida Polytechnic University
IST 1046-1047
4700 Research Way, Lakeland, FL 33805-8531

Dial In Number: 240-454-0887 | Access Code: 643543002

Rear Admiral Philip Dur, Chair
Cliff Otto

Dr. Louis Saco, Vice Chair
Bob Stork

Frank Martin
Gary Wendt

AGENDA

- | | |
|--------------------------------------------------------------------------------------------------------------|--------------------------------|
| I. Call to Order | Rear Admiral Philip Dur, Chair |
| II. Roll Call | Sherri Pavlik |
| III. Public Comment | Rear Admiral Philip Dur, Chair |
| IV. Approval of the September 5, 2018 Minutes
Action Required | Rear Admiral Philip Dur, Chair |
| V. 2018-2020 Governance Committee Work Plan Review | Rear Admiral Philip Dur, Chair |
| VI. FPU-10.002 Direct Support Organization Regulation
Action Required | Regina Delulio |
| VII. Repeal of Rule 6C13-10.002 University Direct Support Organizations
Action Required | Regina Delulio |
| VIII. BOT Policy on Public Comment at Board of Trustees Meeting
Action Required | Regina Delulio |
| IX. Creation and Operation of a BOT Executive Committee
Action Required | Regina Delulio |
| X. Trustees' Handling of Complaints | Rear Admiral Philip Dur, Chair |
| XI. Closing Remarks and Adjournment | |

Florida Polytechnic University
Board of Trustees

Governance Committee Meeting

DRAFT MEETING MINUTES

**Wednesday, September 5, 2018
9:45 AM-10:45 AM**

**Florida Polytechnic University
Student Development Center
4700 Research Way, Lakeland, FL 33805**

I. Call to Order

Committee Chair Philip Dur appeared by phone and turned over the meeting to Vice Chair Louis Saco to lead the meeting. Vice Chair Saco called the Governance Committee meeting to order at 10:00 a.m.

II. Roll Call

Sherri Pavlik called the roll: Committee Chair Philip Dur, Vice Chair Louis Saco, Trustee Frank Martin, Trustee Cliff Otto, Trustee Bob Stork and Trustee Gary Wendt were present (Quorum).

Staff present: President Randy Avent, Ms. Gina Delulio, Mr. Rick Maxey, Mr. Kevin Aspegren, Ms. Kathy Mizereck, Mrs. Maggie Mariucci, Mrs. Kim Abels, Ms. Sherri Pavlik, and Ms. Michele Rush were present.

III. Public Comment

There were no requests received for public comment.

IV. Approval of Minutes

Trustee Bob Stork made a motion to approve the Governance Committee meeting minutes of May 16, 2018. Trustee Frank Martin seconded the motion; a vote was taken, and the motion passed unanimously.

V. Governance Committee Charter Review

Trustee Saco noted changes to the charter that reflect the addition of tasks the committee has been performing, and deleting one task the committee hasn't performed to date, which is "recommending members to the board".

Trustee Cliff Otto made a motion to recommend approval of the revised Governance Committee Charter to the Board of Trustees. Trustee Frank Martin seconded the motion; a vote was taken, and the motion passed unanimously.

VI. 2018—2020 Governance Committee Work Plan Review

Trustee Philip Dur stated the committee will discuss training needs at the December 5 committee meeting. There was no other discussion.

Trustee Cliff Otto made a motion to approve the 2018-2020 Governance Committee Work Plan. Trustee Bob Stork seconded the motion; a vote was taken, and the motion passed unanimously.

VII. 2019 Government Relations Plan

Kathy Mizereck reminded the committee that with the 2018 elections, there will be changes across the state government; however, the turnover will likely be stable in the House and Senate. To date, the schedule, committee structure, chairs, and membership are unknown. She stated this doesn't affect any University plans, but does affect who is talked to and how messages are sent. Ms. Mizereck requested each trustee consider which legislators they know and how those relationships can be developed to benefit Florida Poly once elections are complete.

Ms. Mizereck reviewed the 2019 Legislative Budget Requests submitted to the Board of Governors:

- Applied Research Center - \$10,823,613
- Enhanced Graduation Pathways for STEM Students (3 year STEM bachelor degree) - \$2,250,000
- Outreach to Underserved Populations in Support of STEM Degrees (summer camps for high school students) - \$750,000
- Graduate Program Growth - \$2,500,000
- Advanced Mobility Research - \$500,000
 - This is a significant change from the amount approved in the May meeting. The original request was for \$3.5M for the Advanced Mobility Institute (AMI). Staff was concerned the University could not articulate with certainty what the \$3.5M would be spent on, so a decision was made to ask for \$500,000 to complete planning and research. The University will communicate to the legislature next year what is needed in order to create a state-of-the-art testing and verification center.

President Avent explained that the initial funding launched AMI which included hiring eight faculty to conduct research in four areas that are critical to success of autonomous vehicles. The next phase includes determining what the infrastructure needs to be.

Trustees requested updates on AMI that includes more detail on accomplishments and the relationship between SunTrax and Florida Poly. Faculty and students will present this topic at the next Board meeting.

Trustee Frank Martin made a motion to recommend approval of the 2019 Government Relations Plan to the Board of Trustees. Trustee Bob Stork seconded the motion; a vote was taken, and the motion passed unanimously.

VIII. Federal Relations Activity Update

Mr. Rick Maxey reviewed activity at the federal level in support of the University.

The University and its partners will be able to compete for \$100M that was appropriated by Congress for Advanced Vehicle Initiatives once the Department of Transportation (DOT) produces the rules on how to

compete. The University can compete for the money as both an independent actor and as a group of partners that was confirmed by the DOT last year as part of a proving ground.

Mr. Maxey is working to obtain grants to assist with the University's economic development efforts in Polk County. He is working with six other independent agencies to bring companies to Lakeland, particularly those that want to work with the University.

Entrepreneurship grants are available to fund awards to students working on projects which could go to market. Funding and technical resources are also available to support entrepreneurship in the community. The Department of Commerce appreciates this activity and may assist the University in obtaining grant funding.

President Avent met with Frank Brogan, Assistant Secretary of Elementary and Secondary Education to make him aware of the University's efforts in working with underrepresented students. Potential funding may be available from the Department of Education that can assist with these efforts.

President Avent presented at the Congressional Field Hearing on Automotive Innovations, held by the Senate Committee on Commerce, Science, and Transportation. Individuals who attended the meeting were encouraged by the activity of the University. Opening remarks are on the website and video is available for those researching this issue.

President Avent also met with DARPA's Defense Science Office to discuss autonomous vehicle testing. The University will continue to build this relationship as DARPA is interested in the University's ideas.

President Avent met with the staff of the National Institute of Standards and Technology (NIST) to discuss the Advanced Mobility Institute. NIST expressed great interest in the program and provided input for the University to consider.

IX. BOT Self Evaluation Results and Goals

Gina Delulio presented the improvements suggested by the Association of Governing Boards (AGB) consultant at the last Board workshop regarding the Board of Trustees self-assessment. Committee members discussed the areas each believed the most important for the Board to work on this coming year.

Trustee Frank Martin made a motion to recommend approval of the following goals to the Board of Trustees:

- 1. 1.7 – Seeks out and considers diverse and competing points of view when discussing critical issues**
- 2. 5.5 – Uses the executive committee to coordinate the work of the board and shape meeting agendas**
- 3. Combined areas of (5.6, 6.3, 7.2 and 8.1)**
 - a. 5.6 – Structures board meetings to include time for substantive discussions**
 - b. 6.3 - Productively explores ideas by engaging in robust discussions**
 - c. 7.2 - Board focuses its time on issues of greatest consequences**
 - d. 8.1 - Focus more of the board's attention on issues of strategic importance to institution**
- 4. 8.5 - Increase its knowledge of the institution's educational programs**

Trustee Cliff Otto seconded the motion; a vote was taken, and the motion passed with a vote of 5-1.

- X. Committee Chair Dur thanked Committee Vice Chair Saco for chairing the meeting. With no further business to discuss, the meeting adjourned a 11:07 a.m.

DRAFT

**Florida Polytechnic University
Governance Committee
Work Plan 2018-2020**

February 28, 2018	May 22-23, 2018	September 5, 2018	December 5, 2018
	<ul style="list-style-type: none"> • Make recommendations to Board on President's proposed goals for 2018-2019, President's 2017-2018 evaluation outcome and compensation • Consultant report on BOT self-assessment survey 	<ul style="list-style-type: none"> • 2019 Government Relations Plan • Discussion on BOT self-assessment 	<ul style="list-style-type: none"> • Discuss board training needs
February 27, 2019	May 21-22, 2019	September 11, 2019	December 11, 2019
<ul style="list-style-type: none"> • Make recommendation on renewal of President's employment agreement 	<ul style="list-style-type: none"> • Make recommendations to Board on President's proposed goals for 2019-2020, President's 2018-2019 evaluation outcome and compensation 	<ul style="list-style-type: none"> • 2020 Government Relations Plan 	<ul style="list-style-type: none"> • Discuss board training needs
February 2020	May 2020	September 2020	December 2020
<ul style="list-style-type: none"> • Start process of making nominations 	<ul style="list-style-type: none"> • Make recommendations to Board on President's proposed goals for 2020-2021, President's 2019-2020 evaluation outcome and compensation 	<ul style="list-style-type: none"> • 2021 Government Relations Plan 	<ul style="list-style-type: none"> • Discuss board training needs

**Florida Polytechnic University
Board of Trustees
Governance Committee
December 5, 2018**

Subject: FPU-10.002 University Direct Support Organizations- Approval

Proposed Action

Recommend approval of proposed regulation policy FPU-10.002 University Direct Support Organizations to the Board of Trustees.

Background Information

This proposed regulation will take the place of University rule 6C13-10.002 University Direct Support Organizations (DSOs). The proposed regulation amends the existing rule by incorporating changes to the DSO statute that are required pursuant to Section 1004.28, Florida Statutes and the revised BOG regulation as listed below.

- 1) Sets thresholds for the BOT's approval of DSO purchases, acquisitions, projects, and issuances of debt, specifically, in excess of
 - a. One million dollars (\$1,000,000) for the acquisition of real property
 - b. One million dollars (\$1,000,000) for constructing or renovating a facility
 - c. Five hundred thousand dollars (\$500,000) total contract value for the purchase of goods and services.
- 2) Requires a DSO to comply with SUS Debt Management Guidelines and SUS Public-Private Partnership Guidelines.
- 3) Requires the BOT Chair to appoint at least one representative to a DSO's board of directors.
- 4) Requires the BOT to approve appointments and reappointments to the DSO's board of directors.
- 5) Prohibits the use of state funds for DSO travel expenses.
- 6) Prohibits a DSO from giving any gift to a political committee.
- 7) States that University personal services used by a DSO are subject to the remuneration requirements in Section 1012.976, Florida Statutes.
- 8) Requires any subsequent amendments to a DSO's Articles of Incorporation to be approved by the BOT.

The Notice of Proposed Regulation was published on the University's website on November 5, 2018. No comments were received during the review and comment period.

The process for rescinding the rule is being approved contingent upon adoption of Reg. 10.002.

Supporting Documentation:

DRAFT FPU-10.002 University Direct Support Organizations
Florida Statute 1004.28
BOG Regulation
Redline Comparison to existing rule

Prepared by: Melaine Schmiz, Assistant General Counsel

THE FLORIDA POLYTECHNIC UNIVERSITY BOARD OF TRUSTEES

FPU-10.002 University Direct Support Organizations.

(1) Purpose. The University President (“President“) may recommend to the Florida Polytechnic University (“University“) Board of Trustees (“BOT“) an organization, meeting the definition and requirements of Florida Statutes, Section 1004.28, to be established and certified a Florida Polytechnic University Direct Support Organization (“DSO“). Upon certification by the BOT, a DSO is authorized to use the property, facilities and personal services of the University in accordance with Board of Governor and University regulations, policies and procedures.

(2) Certification. In order to be considered for certification as a DSO, an eligible organization under Florida Statutes, Section 1004.28, must submit to the BOT proposed Articles of Incorporation and Bylaws. Any subsequent amendments to the Articles of Incorporation or Bylaws of the organization are subject to the approval of the BOT.

(3) DSO employees. Any person employed by the DSO shall not be considered to be an employee of Florida Polytechnic University by virtue of employment by the DSO.

(4) Equal Employment Opportunities. The DSO shall provide equal employment opportunities to all persons regardless of race, color, religion, sex, age, disability, marital status, veteran status, national origin, or any other basis protected by law.

(5) Gifts to political committees prohibited. The DSO is prohibited from giving, either directly or indirectly, any gift to a political committee, as defined in Florida Statutes, Section 106.011, for any purpose.

(6) Selection and Appointment of DSO’s CEO/director. The chief executive officer or director of the organization will be selected and appointed by the University President in consultation with the DSO’s governing board. The chief executive officer or director shall report to the President or a designee reporting directly to the President.

(7) University president’s powers and duties. The University President shall have the following powers and duties:

- 1. Monitor and control the use of University resources by the DSO.**
- 2. Control the use of the University name by the DSO.**
- 3. Monitor compliance of the DSO with federal and state laws.**
- 4. Approve contributions of funds or supplements to support intercollegiate athletics.**

(8) Appointments to DSO board. The Chair of the BOT shall appoint at least one representative to the governing board and the executive committee of each DSO and the President or designee shall serve on the governing board and the executive committee of each DSO. The BOT must approve all other appointments or reappointments to the DSO’s board of directors prior to them being effective.

(9) **Operating budget.** Each DSO must prepare, at least annually, a proposed operating budget for review and approval by the DSO's governing board and must be recommended by the President to the BOT for review.

(10) **Changes in planned expenditures.** Significant changes in planned expenditures in the DSO's approved budget shall be reported to the BOT as soon as practicable, but no later than the end of the quarter in which such changes were proposed.

(11) **BOT approval thresholds.** The DSO must get BOT approval when:

(a) The DSO is acquiring real property in excess of one million dollars (\$1,000,000).

(b) The DSO is constructing or renovating a facility and the cost of construction or renovation exceeds one million dollars (\$1,000,000).

(c) The DSO is purchasing goods and services and the total value of the contract exceeds five hundred thousand dollars (\$500,000).

(12) **Debt management and P3 guidelines.** All debt issued by a DSO is subject to the SUS Debt Management Guidelines. All public-private partnership transactions involving a DSO are subject to the State University System Public-Private Partnership Guidelines.

(13) **State funds for travel prohibited.** DSOs are prohibited from using state funds for travel expenses incurred by the DSO.

(14) **Remuneration requirements.** University personal services used by a DSO are subject to the remuneration requirements set forth in section 1012.976, Florida Statutes.

(15) **Audit.** Each DSO shall cause an annual financial audit to be conducted, in accordance with applicable laws and rules, by an independent certified public accountant upon the close of each fiscal year for submission to the BOT for review and oversight. The BOT Chair and the University President may require and receive any records or data relative to the operations of the DSO from the DSO or from its independent auditors.

(16) **Audit review.** The BOT shall submit each DSO's annual audit report to the Auditor General and the Board of Governors for review no later than nine (9) months after the close of the fiscal year.

(17) **Tax exemption.** Each DSO shall submit its federal Internal Revenue Service application for Recognition from Exemption form (Form 1023) and its federal Internal Revenue Service Return of Organization Exempt from Income Tax form (Form 990) to the President.

(18) **Decertification.** The President may recommend and request that the BOT decertify a DSO if the President determines that the organization is no longer serving the best interests of the University. Any recommendation and request for decertification shall include a plan for disposition of the DSO's assets and liabilities.

(19) The DSO shall comply with all other obligations required by law, including those required by Florida Statutes, Section 1004.28, and applicable Board of Governors and University rules, regulations, policies and procedures.

Authority: Section 7(d), Art. IX, Fla. Const.; BOG Regulation Development Procedure dated March 23, 2006; 1004.28(2)(b) FS.

History: Formerly rule 6C13-10.002, 8.5.14, Amended and renumbered _____.

DRAFT

Select Year: 2018

The 2018 Florida Statutes

[Title XLVIII](#)

K-20 EDUCATION CODE

[Chapter 1004](#)

PUBLIC POSTSECONDARY EDUCATION

[View Entire Chapter](#)

1004.28 Direct-support organizations; use of property; board of directors; activities; audit; facilities.—

(1) **DEFINITIONS.**—For the purposes of this section:

(a) “University direct-support organization” means an organization which is:

1. A Florida corporation not for profit incorporated under the provisions of chapter 617 and approved by the Department of State.

2. Organized and operated exclusively to receive, hold, invest, and administer property and to make expenditures to or for the benefit of a state university in Florida or for the benefit of a research and development park or research and development authority affiliated with a state university and organized under part V of chapter 159.

3. An organization that a state university board of trustees, after review, has certified to be operating in a manner consistent with the goals of the university and in the best interest of the state. Any organization that is denied certification by the board of trustees shall not use the name of the university that it serves.

(b) “Personal services” includes full-time or part-time personnel as well as payroll processing.

(c) “Property” does not include student fee revenues collected pursuant to s. [1009.24](#).

(2) **USE OF PROPERTY.**—

(a) Each state university board of trustees is authorized to permit the use of property, facilities, and personal services at any state university by any university direct-support organization, and, subject to the provisions of this section, direct-support organizations may establish accounts with the State Board of Administration for investment of funds pursuant to part IV of chapter 218.

(b) The board of trustees, in accordance with regulations and guidelines of the Board of Governors, shall prescribe by regulation conditions with which a university direct-support organization must comply in order to use property, facilities, or personal services at any state university, including that personal services must comply with s. [1012.976](#). Such regulations shall provide for budget and audit review and oversight by the board of trustees, including thresholds for approval of purchases, acquisitions, projects, and issuance of debt. No later than July 1, 2019, the transfer of a state appropriation by the board of trustees to any direct-support organization may only include funds pledged for capital projects. Beginning July 1, 2019, and annually thereafter, each university board of trustees shall report to the Legislature the amount of state appropriations transferred to any direct-support organization during the previous fiscal year, the purpose for which the funds were transferred, and the remaining balance of any funds transferred.

(c) The board of trustees may not transfer any funds to and shall not permit the use of property, facilities, or personal services at any state university by any university direct-support organization that does not provide equal employment opportunities to all persons regardless of race, color, religion, gender, age, or national origin.

(d) The board of trustees may not permit the use of state funds for travel expenses by any university direct-support organization.

(3) **BOARD OF DIRECTORS.**—The chair of the university board of trustees shall appoint at least one representative to the board of directors and the executive committee of any direct-support organization

established under this section. The president of the university for which the direct-support organization is established, or his or her designee, shall also serve on the board of directors and the executive committee of any direct-support organization established to benefit that university. The university board of trustees shall approve all appointments to any direct-support organization not authorized by this subsection.

(4) **ACTIVITIES; RESTRICTION.**—A university direct-support organization is prohibited from giving, either directly or indirectly, any gift to a political committee as defined in s. [106.011](#) for any purpose.

(5) **ANNUAL AUDIT; PUBLIC RECORDS EXEMPTION; PUBLIC MEETINGS EXEMPTION.**—

(a) Each direct-support organization shall provide for an annual financial audit of its accounts and records to be conducted by an independent certified public accountant in accordance with rules adopted by the Auditor General pursuant to s. [11.45\(8\)](#) and by the university board of trustees. The annual audit report shall be submitted, within 9 months after the end of the fiscal year, to the Auditor General and the Board of Governors for review. The Board of Governors, the university board of trustees, the Auditor General, and the Office of Program Policy Analysis and Government Accountability shall have the authority to require and receive from the organization or from its independent auditor any records relative to the operation of the organization. The identity of donors who desire to remain anonymous shall be protected, and that anonymity shall be maintained in the auditor's report.

(b) Other than the auditor's report, management letter, any records related to the expenditure of state funds, and any financial records related to the expenditure of private funds for travel, all records of the organization and any supplemental data requested by the Board of Governors, the university board of trustees, the Auditor General, and the Office of Program Policy Analysis and Government Accountability shall be confidential and exempt from s. [119.07\(1\)](#).

(c) Any portion of a meeting of the board of directors of the organization, or of the executive committee or other committees of such board, at which any proposal seeking research funding from the organization or a plan or program for either initiating or supporting research is discussed is exempt from s. [286.011](#) and s. 24(b), Art. I of the State Constitution. This paragraph is subject to the Open Government Sunset Review Act in accordance with s. [119.15](#) and shall stand repealed on October 2, 2019, unless reviewed and saved from repeal through reenactment by the Legislature.

(6) **FACILITIES.**—Each direct-support organization is authorized to enter into agreements to finance, design and construct, lease, lease-purchase, purchase, or operate facilities necessary and desirable to serve the needs and purposes of the university, as determined by the systemwide strategic plan adopted by the Board of Governors. Such agreements are subject to the provisions of ss. [1010.62](#) and [1013.171](#).

(7) **ANNUAL BUDGETS AND REPORTS.**—Each direct-support organization shall submit to the university president and the Board of Governors its federal Internal Revenue Service Application for Recognition of Exemption form (Form 1023) and its federal Internal Revenue Service Return of Organization Exempt from Income Tax form (Form 990).

History.—s. 172, ch. 2002-387; s. 173, ch. 2007-5; s. 89, ch. 2007-217; s. 31, ch. 2013-37; s. 1, ch. 2014-27; s. 7, ch. 2018-4.

9.011 University Direct Support Organizations and Health Services Support Organizations

- (1) University boards of trustees may establish direct support organizations (“DSO”) and health services support organizations and certify them to use university property, facilities and personal services. Such support organizations shall be organized and operated to serve the best interests or missions of the university, including a university’s research, education and service missions, and may receive, hold, invest, and administer property and make expenditures to or for the benefit of the university or for the benefit of a research and development park or research and development authority affiliated with a university.

- (2) Each board of trustees shall establish by regulation conditions with which a support organization must comply in order to use university property, facilities, or personal services and such additional conditions, controls, and requirements for support organizations as each board deems appropriate to provide for budget and audit review and oversight. In addition, the regulation must include the following conditions:
 - (a) The establishment of appropriate thresholds that delineate when approval by the board of trustees is required for the purchase of goods and services by a DSO.
 - (b) All debt issued by a DSO is subject to the State University System Debt Management Guidelines and all public-private partnership transactions involving a DSO are subject to the State University System Public-Private Partnership Guidelines.
 - (c) The establishment of appropriate thresholds that delineate when approval is required by the board of trustees for the acquisition of real property and the construction or renovation of facilities by a DSO.
 - (d) University personal services used by a DSO are subject to the remuneration requirements set forth in section 1012.976, Florida Statutes.
 - (e) A DSO is prohibited from using state funds for travel expenses incurred by the DSO.
 - (f) A DSO is prohibited from giving, either directly, or indirectly, any gift to a political committee as defined in section. 106.011, Florida Statutes, for any purpose.

- (3) The Director or Chief Executive Officer of the support organization shall report to the University President or designee.

- (4) Operating budgets of support organizations shall be prepared at least annually, and approved by the organization’s governing board and the university board of trustees. Significant changes in planned expenditures in the approved budget must be reported to the university board of trustees as soon as practicable but no later than the deadline established by a board of trustees.

(5) Support organizations shall provide for an annual audit conducted pursuant to university regulations or policies. The annual audit report shall be submitted to the university board of trustees for review. The audit report shall be submitted to the Board of Governors, and the Auditor General. The university board of trustees or designee, the Board of Governors, the Auditor General, and the Office of Program and Policy Analysis and Government Accountability may require and receive any records relative to the operation of a support organization from the organization or its independent auditors.

(6) Each support organization shall submit its federal Internal Revenue Service application for Recognition of Exemption form (Form 1023) and its federal Internal Revenue Service Return of Organization Exempt from Income Tax form (Form 990) to the university board of trustees or designee at the times required by the applicable regulation or policy of the board of trustees. Copies of such forms shall be provided by each university to the Board of Governors.

(7) As of July 1, 2019, any transfer of a state appropriation to a DSO is limited to funds pledged for capital projects.

- (a) This regulation does not prohibit the transfer of non-state funds between university DSOs, or the transfer of non-state funds to the DSO, as long as the original source of funding was not a state appropriation.
- (b) A DSO may transfer funds and provide the use of DSO property, facilities or personal services without any charge to the university.
- (c) Effective for fiscal 2018-2019, and annually thereafter, each university will report to the Legislature and the Board of Governors all transfers of state funds to each university DSO, using the format and instructions specified by the Chancellor.

(8) A support organization shall provide equal employment opportunities to all persons, regardless of race, color, national origin, sex, religion, age, disability, marital status, veteran status, or any other basis protected by law.

(9) The chair of the university board of trustees shall appoint at least one representative to each DSO board of directors and executive committee (if any). The university president or designee shall also serve on the board of directors and executive committee of each DSO. The university board of trustees shall approve all appointments to any DSO board other than the chair's representative(s) or the president or president's designee. The chair's designee may not be the university president; nor may the chair and president appoint the same person to represent both the chair and the president on any one DSO board.

(10) University boards of trustees shall decertify a support organization if the university board of trustees or designee determines that the organization is no longer serving the best interest or mission of the university and decertification is appropriate.

In decertifying a support organization, the board of trustees shall require an accounting of the organization's assets and liabilities and take such reasonable action as necessary to secure the return of all university property and facilities as requested by the university.

Authority: Section 7(d), Art. IX, Fla. Const., History – Formerly 6C-3.12, 11-18-70, Amended and Renumber 12-17-74, Amended 4-14-76, 6-25-80, 8-11-85, Formerly 6C-9.11, Amended 9-28-86, 2-13-89, 4-10-90, 12-9-91, 8-1-94, 4-16-96, Amended and Renumbered 8-6-09, Amended 11-8-18.

THE FLORIDA POLYTECHNIC UNIVERSITY BOARD OF TRUSTEES

FPU6C13-10.002 University Direct Support Organizations.

(1) Purpose. The University President (“President”) may recommend to the Florida Polytechnic University (“University”) Board of Trustees (“BOT”) an organization, meeting the definition and requirements of Florida Statutes, Section 1004.28, to be established and certified a Florida Polytechnic University Direct Support Organization (“DSO”). Upon certification by the BOT, a DSO is authorized to use the property, facilities and personal services of the University in accordance with [Board of Governor and University rules, regulations, policies and procedures.](#)

(2) Certification In order to be considered for certification as a DSO, an eligible organization under Florida Statutes, Section 1004.28, must submit to the BOT proposed Articles of Incorporation and Bylaws. ~~Any subsequent amendments to the Articles of Incorporation or Bylaws of the organization are subject to the approval of the BOT, which, together, shall provide that:~~

(3) DSO employees. ~~(a)~~ Any person employed by the ~~DSO organization~~ shall not be considered to be an employee of Florida Polytechnic University by virtue of employment by the DSO.

(4) Equal Employment Opportunities. ~~(b)~~ The ~~DSO organization~~ shall provide equal employment opportunities to all persons regardless of race, color, religion, ~~sex gender sex~~, age, ~~disability, marital status, veteran status, or~~ national origin, ~~or any other basis protected by law.~~

(5) Gifts to political committees prohibited. ~~(c)~~ The ~~DSO organization~~ is prohibited from giving, either directly or indirectly, ~~of~~ any gift to a political committee, as defined in Florida Statutes, Section 106.011, for any purpose. ~~other than those certified by a majority roll call vote of the governing board of the direct support organization at a regularly scheduled meeting as being directly related to the educational mission of the University.~~

(6) Selection and Appointment ~~(d)~~ Any subsequent amendments to the Articles of DSO’s CEO/director. Incorporation or Bylaws of the organization ~~be~~ are subject to the approval of the BOT.

~~(e)~~ The chief executive officer or director of the organization will be selected and appointed by the University President in consultation with the DSO’s governing board. ~~The of the organization, subject to prior approval of the President, and the~~ chief executive officer or director shall report to the President or a designee reporting directly to the President.

(7) University president’s powers and duties. The University~~(f)~~ The President shall have the following powers and duties:

1. Monitor and control the use of University resources by the ~~DSO organization~~.
2. Control the use of the University name by the ~~DSO organization~~.
3. Monitor compliance of the ~~DSO organization~~ with federal and state laws.
4. Approve contributions of funds or supplements to support intercollegiate athletics.

(83) Appointments to DSO board. The Chair of the BOT ~~may shall~~ appoint at least one representative to the governing board and the executive committee of each DSO and the

President or designee shall serve on the governing board and the executive committee of each DSO. The BOT ~~must~~ shall approve all other appointments or reappointments to the DSO's board of directors prior to them being effective.

(9) **Operating budget.** Each DSO must prepare, at least annually, a proposed operating budget for review and approval by the ~~organization's~~ DSO's governing board and must be recommended by the President to the BOT for review.

(10~~5~~) **Changes in planned expenditures.** Significant changes in planned expenditures in the DSO's approved budget shall be reported to the BOT ~~or designee~~ as soon as practicable, but no later than the end of the quarter in which such changes were proposed.

(11~~6~~) **BOT approval thresholds.** The DSO must get BOT approval when:

- (a) The DSO is acquiring real property in excess of one million dollars (\$1,000,000). _____
- (b) The DSO is constructing or renovating a facility and the ~~cost~~Cost of construction or renovation exceeds one million dollars (\$1,000,000). ~~and~~
- (c) The DSO is purchasing goods and services and the total value ~~that are in excess of the~~ contract exceeds five hundred thousand dollars (\$500,000). _____.

(12) **Debt management and P3**(7)– All debt issued by a DSO is subject to the SUS Debt Management Guidelines. ~~and is subject to BOT approval if the debt exceeds _____.~~ All public-private partnership transactions involving a DSO are subject to the State University System Public-Private Partnership Guidelines.

(13~~8~~) **State funds for travel prohibited.** DSOs are prohibited from using state funds for travel expenses incurred by the DSO.

(14~~9~~) **Remuneration requirements.** University personal services used by a DSO are subject to the remuneration requirements set forth in section 1012.976, Florida Statutes.

(15~~6~~10) **Audit.** Each DSO shall cause an annual financial audit to be conducted, in accordance with applicable laws and rules, by an independent certified public accountant upon the close of each fiscal year for submission to the BOT for review and oversight. ~~The BOT Chair and the University President may require and receive any records or data relative to the operations of the DSO from the DSO or from its independent auditors~~ ~~President and the BOT for review and oversight.~~

(16~~7~~11) **Audit review.** The BOT ~~or designee~~ shall submit each DSO's annual audit report to the Auditor General and the Board of Governors for review no later than nine (9) months after the close of the fiscal year.

(17~~8~~12) **Tax exemption.** Each DSO shall submit its federal Internal Revenue Service application for Recognition from Exemption form (Form 1023) and its federal Internal Revenue Service Return of Organization Exempt from Income Tax form (Form 990) to the President.

~~(18913)~~ **Decertification.** The President may recommend and request that the BOT decertify a DSO if the President ~~determines~~etermines that the organization is no longer serving the best interests of the University. Any recommendation and request for decertification shall include a plan for disposition of the DSO's assets and liabilities.

~~(19)~~1014 The DSO shall comply with all other obligations required by law, including those required by Florida Statutes, Section 1004.28, and applicable **Board of Governors and University** rules, regulations, policies and procedures.

~~(11) In the absence of the Florida Polytechnic University President, any and all authority and responsibility of the President arising out of this rule shall be delegated to the chief operating officer of the University.~~

~~Rulemaking Authority: Section 7(d), Art. IX, Fla. Const.; BOG Regulation Development Procedure dated March 23, 2006; 1001.706(2), 1004.28(2)(b) FS.~~

~~Law Implemented 1001.706(3)(c), 1004.3451, 1004.28 FS.~~

~~History: Formerly rule 6C13-10.002, 8.5.14, Amended and renumbered~~

AGENDA ITEM: VII.

**Florida Polytechnic University
Board of Trustees**

Subject: Repeal of University Rule 6C13-10.002 University Direct Support Organizations

Proposed Action

Recommend approval of Repeal of University Rule 6C13-10.002 University Direct Support Organizations to the Board of Trustees.

Background Information

The Legislature recently amended Section 1004.28, Florida Statutes regarding direct support organizations. As a result, the University is no longer required to have University Rule 6C13-10.002 University Direct Support Organizations, but is required instead to have a regulation. The content of the rule, in addition to provisions and revisions necessitated by Section 1004.28, Florida Statutes and BOG regulation, has been incorporated into University regulation FPU-10.002 University Direct Support Organizations.

Upon approval of repeal of the rule by the Board, the Notice of Proposed Rule will be published.

Supporting Documentation:

Proposed Repealed Rule 6C13-10.002

Prepared by:

Melaine Schmiz, Assistant General Counsel

6C13-10.002 University Direct Support Organizations.

~~(1) The University President (“President”) may recommend to the Florida Polytechnic University (“University”) Board of Trustees (“BOT”) an organization, meeting the definition and requirements of Florida Statutes, Section 1004.28, to be established and certified a Florida Polytechnic University Direct Support Organization (“DSO”). Upon certification by the BOT, a DSO is authorized to use the property, facilities and personal services of the University in accordance with University rules, regulations, policies and procedures.~~

~~(2) In order to be considered for certification as a DSO, an eligible organization under Florida Statutes, Section 1004.28, must submit to the BOT proposed Articles of Incorporation and Bylaws which, together, shall provide that:~~

~~(a) Any person employed by the organization shall not be considered to be an employee of Florida Polytechnic University by virtue of employment by the DSO.~~

~~(b) The organization shall provide equal employment opportunities to all persons regardless of race, color, religion, gender, age, or national origin.~~

~~(c) The giving, either directly or indirectly, of any gift to a political committee, as defined in Florida Statutes, Section 106.011, for any purpose other than those certified by a majority roll call vote of the governing board of the direct support organization at a regularly scheduled meeting as being directly related to the educational mission of the University.~~

~~(d) Any subsequent amendments to the Articles of Incorporation or Bylaws of the organization be subject to the approval of the BOT.~~

~~(e) The chief executive officer or director of the organization be selected and appointed by the governing board of the organization, subject to prior approval of the President, and the chief executive officer or director shall report to the President or a designee reporting directly to the President.~~

~~(f) The President shall have the following powers and duties:~~

~~1. Monitor and control the use of University resources by the organization.~~

~~2. Control the use of the University name by the organization.~~

~~3. Monitor compliance of the organization with federal and state laws.~~

~~4. Approve contributions of funds or supplements to support intercollegiate athletics.~~

~~(3) The Chair of the BOT may appoint a representative to the governing board and the executive committee of each DSO and the President or designee shall serve on the governing board and the executive committee of each DSO.~~

~~(4) Each DSO must prepare, at least annually, a proposed operating budget for review and approval by the organization’s governing board and recommended by the President to the BOT for review.~~

~~(5) Significant changes in planned expenditures in the DSO’s approved budget shall be reported to the BOT or designee as soon as practicable, but no later than the end of the quarter in which such changes were proposed.~~

~~(6) Each DSO shall cause an annual financial audit to be conducted, in accordance with applicable laws and rules, by an independent certified public accountant upon the close of each fiscal year for submission to the President and the BOT for review and oversight.~~

~~(7) The BOT or designee shall submit each DSO’s annual audit report to the Auditor General and the Board of Governors for review no later than nine (9) months after the close of the fiscal year.~~

~~(8) Each DSO shall submit its federal Internal Revenue Service application for Recognition from Exemption form (Form 1023) and its federal Internal Revenue Service Return of Organization Exempt from Income Tax form (Form 990) to the President.~~

~~(9) The President may recommend and request that the BOT decertify a DSO if the President determines that the organization is no longer serving the best interest of the University. Any recommendation and request for decertification shall include a plan for disposition of the DSO's assets and liabilities.~~

~~(10) The DSO shall comply with all other obligations required by law, including those required by Florida Statutes, Section 1004.28, and applicable University rules, regulations, policies and procedures.~~

~~(11) In the absence of the Florida Polytechnic University President, any and all authority and responsibility of the President arising out of this rule shall be delegated to the chief operating officer of the University.~~

Rulemaking Authority 1001.706(2), 1004.28(2)(b) FS. Law Implemented 1001.706(3)(c), 1004.3451, 1004.28 FS.

History: 8.5.14, Repealed

**Florida Polytechnic University
Board of Trustees
Governance Committee**

Subject: BOT Policy on Public Comment at Board of Trustees Meetings

Proposed Action

Recommend approval of the proposed policy "Public Comment at Board of Trustees Meetings" to the Board of Trustees.

Background Information

Section 286.0114, Florida Statutes, provides that members of the public are to be given a reasonable opportunity to be heard on a proposition before the Board. Additionally, the Board is permitted to adopt policies to govern the opportunity to be heard. When following such policies, the Board is deemed to be in compliance with Section 286.0114, Florida Statutes. The policies are limited to those that:

- 1) Provide guidelines regarding the amount of time an individual has to address the Board or Committee;
- 2) Prescribe procedures for allowing representatives of groups or factions on a proposition to address the Board of Committee at meetings in which a large number of individuals wish to be heard;
- 3) Prescribe procedures or forms for an individual to use in order to inform the Board or Committee of a desire to be heard; to indicate his or her support, opposition, or neutrality on a proposition; and to indicate his or her designation of a representative to speak for him or her or his or her group on a proposition if he or she so chooses; or
- 4) Designate a specified period of time for public comment.

The proposed policy establishes such guidelines for public comment in order to maintain orderly conduct and proper decorum at meetings of the Board.

Supporting Documentation:

DRAFT Public Comment at Board of Trustees Meetings policy
Section 286.0114, Florida Statutes

Prepared by: Melaine Schmiz, Assistant General Counsel

Florida Polytechnic University Board of Trustees Policy on Public Comment at Board of Trustees Meetings

Preamble: Pursuant to Section 286.011, Florida Statutes, meetings of the Florida Polytechnic University Board of Trustees (the “Board”) and its Committees (“Committee”) are public meetings that are open to the public at all times unless otherwise provided by law. Additionally, Section 286.0114, Florida Statutes, provides that members of the public are to be given a reasonable opportunity to be heard on a proposition before the Board.

Nature and Scope: To establish guidelines for public comment in order to maintain orderly conduct and proper decorum at meetings of the Board.

Policy Statement: The Board allows for a public comment period during each Board and Committee meeting. The public comment period is noted on the agenda for Board and Committee meetings. Individuals or group representatives who desire to appear before the Board or Committee (“Speaker”) regarding an item being considered on a meeting agenda must comply with the following procedures and guidelines.

Requesting to Speak: A Speaker must submit a request to speak at a Board or Committee meeting to the University President, as Corporate Secretary, at least twenty four (24) hours prior to the scheduled start of the meeting at which the Speaker wishes to speak. Such request must specify the meeting and the agenda item about which the Speaker wishes to speak. Requests to speak can be submitted using the following link: [Board of Trustees Comment Card](#) or emailing the request to President@floridapoly.edu.

The University President, in consultation with the Chair or Committee Chair and complying with the law, will determine whether the Speaker’s comment regarding an agenda item will be heard and when the comment will be heard. The Board Chair, Committee Chair, or President may decline to hear public comment that he or she determines does not relate to a particular agenda item, or that is outside the Board’s jurisdiction, or because it is not practicable for a particular meeting.

Time Limits: A Speaker will be allotted three (3) minutes to present information. However, the Chair or Committee Chair may extend or shorten this time depending upon the number of Speakers. A Speaker should confine his or her remarks to the agenda item being addressed. The aggregate time for all public comments at a meeting need not exceed 15 minutes.

If it appears that the amount of speakers desiring to speak will exceed the 15 minute public comment time period, the Board Chair, Committee chair, or President may reduce the maximum amount of time allowed for each Speaker, may limit the number of Speakers that may address an agenda item or topic, or may ask a group to designate a representative to speak on the group’s behalf. The Chair or Committee Chair may recognize any individual or representative of a group to address the Board or Committee, respectively.

Disruption and Safety of Meeting: In order to proceed with the essential business of the Board in an orderly manner and to ensure the safety of those in attendance, any individual or group representative who attempts to disrupt a Board or Committee meeting or presents a safety issue, will be subject to appropriate action (including removal) pursuant to law. The President, Chair, or Committee chair, in consultation with relevant parties such as the University Police Department and Facilities and Safety Services, have the authority to determine the appropriate action.

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Select Year: 2018

The 2018 Florida Statutes

[Title XIX](#)[Chapter 286](#)[View Entire Chapter](#)

PUBLIC BUSINESS PUBLIC BUSINESS: MISCELLANEOUS PROVISIONS

286.0114 Public meetings; reasonable opportunity to be heard; attorney fees.—

(1) For purposes of this section, “board or commission” means a board or commission of any state agency or authority or of any agency or authority of a county, municipal corporation, or political subdivision.

(2) Members of the public shall be given a reasonable opportunity to be heard on a proposition before a board or commission. The opportunity to be heard need not occur at the same meeting at which the board or commission takes official action on the proposition if the opportunity occurs at a meeting that is during the decisionmaking process and is within reasonable proximity in time before the meeting at which the board or commission takes the official action. This section does not prohibit a board or commission from maintaining orderly conduct or proper decorum in a public meeting. The opportunity to be heard is subject to rules or policies adopted by the board or commission, as provided in subsection (4).

(3) The requirements in subsection (2) do not apply to:

(a) An official act that must be taken to deal with an emergency situation affecting the public health, welfare, or safety, if compliance with the requirements would cause an unreasonable delay in the ability of the board or commission to act;

(b) An official act involving no more than a ministerial act, including, but not limited to, approval of minutes and ceremonial proclamations;

(c) A meeting that is exempt from s. [286.011](#); or

(d) A meeting during which the board or commission is acting in a quasi-judicial capacity. This paragraph does not affect the right of a person to be heard as otherwise provided by law.

(4) Rules or policies of a board or commission which govern the opportunity to be heard are limited to those that:

(a) Provide guidelines regarding the amount of time an individual has to address the board or commission;

(b) Prescribe procedures for allowing representatives of groups or factions on a proposition to address the board or commission, rather than all members of such groups or factions, at meetings in which a large number of individuals wish to be heard;

(c) Prescribe procedures or forms for an individual to use in order to inform the board or commission of a desire to be heard; to indicate his or her support, opposition, or neutrality on a proposition; and to indicate his or her designation of a representative to speak for him or her or his or her group on a proposition if he or she so chooses; or

(d) Designate a specified period of time for public comment.

(5) If a board or commission adopts rules or policies in compliance with this section and follows such rules or policies when providing an opportunity for members of the public to be heard, the board

Interpreter Services for the
Deaf and Hard of Hearing



or commission is deemed to be acting in compliance with this section.

(6) A circuit court has jurisdiction to issue an injunction for the purpose of enforcing this section upon the filing of an application for such injunction by a citizen of this state.

(7)(a) Whenever an action is filed against a board or commission to enforce this section, the court shall assess reasonable attorney fees against such board or commission if the court determines that the defendant to such action acted in violation of this section. The court may assess reasonable attorney fees against the individual filing such an action if the court finds that the action was filed in bad faith or was frivolous. This paragraph does not apply to a state attorney or his or her duly authorized assistants or an officer charged with enforcing this section.

(b) Whenever a board or commission appeals a court order that has found the board or commission to have violated this section, and such order is affirmed, the court shall assess reasonable attorney fees for the appeal against such board or commission.

(8) An action taken by a board or commission which is found to be in violation of this section is not void as a result of that violation.

History.—s. 1, ch. 2013-227.

**Florida Polytechnic University
Board of Trustees
Governance Committee
December 5, 2018**

Subject: Creation and Operation of a BOT Executive Committee

Proposed Action

Discuss and make recommendations to the full Board on the creation and operation of a BOT Executive Committee.

Background Information

The BOT determined that it would like to create an executive committee this year to improve Board operations. The Governance Committee needs to discuss who should be on the executive committee and what authority the executive committee should have and make a recommendation to the Board.

Supporting Documentation:

Summary of Membership and Authority of Executive Committees at Other SUS Institutions

Prepared by: Gina DeIulio, General Counsel

**Summary of Membership and Authority of Executive
Committees at Other SUS Institutions**

	Committee Membership	Committee Authority	Reporting to Full Board
UCF	Board Chair and committee chairs	empowered to act on matter that, in the opinion of the board chair, must be timely approved between regularly scheduled Board meetings	Actions taken by the Executive Committee shall be reported to the Board at the next Board meeting
USF	The Chair and Vice-Chair of the Board of Trustees shall be members. In addition, three (3) trustees shall be appointed by the Chair to serve on the Governance committee. In addition, the President of the University System shall be a non-voting ex-officio member	authority to act for the Board of Trustees on all matters except for the following, which shall be reserved for the full Board: appointing and removing the President; approving or discontinuing programs; board officer selection; Campus Board membership; changes in institutional mission and purposes; changes to the operating procedures; incurring of corporate indebtedness; and adoption of the annual budget	The Governance Committee shall meet as often as necessary to conduct business as the Chair and President shall determine, and it shall ensure that minutes are taken of such meetings which will be distributed to all Trustees for information at the next regular meeting of the Trustees
FIU	Board Chair, Board Vice Chair and all Committee Chairs	may exercise all powers and authority of the Board on an as needed basis between regular Board meetings for time sensitive matters, subject only to such restrictions or limitations as the Trustees may from time to time specify, except that the following matters shall be reserved to the full Board for approval (i) Board officer selection, (ii) changes in the mission and purposes of the institution, (iii) presidential selection and termination, (iv) amendments to the Bylaws, (v) debt issuances, (vi) sale or other disposition of The Florida International University Board of Trustees Bylaws Page 8 real property, (vii) the University's annual operating and capital outlay budgets and the University's Capital Improvement Program list for funding by the Legislature, including the Public Education Capital Outlay list, and (viii) any other matter required by law or Board of Governors' regulation to be approved by the full Board	All actions taken by the Governance Committee pursuant to this authority shall be reported at the next meeting of the full Board, or when deemed sufficiently important by the Board Chair and the University President, such actions shall be reported to the Trustees within thirty (30) days after such action is taken, or at a meeting of the Trustees if a meeting is held within that period of time

Summary of Membership and Authority of Executive

Committees at Other SUS Institutions

FAMU	Board Chair, the Chairs of the Academic Affairs Committee, Audit and Compliance Committee, Budget/Finance Committee, Student Affairs Committee, Facilities Planning Committee and Direct Support Organization (DSO) Committee. The Corporate Secretary shall be an exofficio member without a vote	authority of the Board to act between regular Board meetings on matters which are either ministerial or which must be decided before the next Board meeting	The actions of the Executive Committee shall be reported to the Board at its next regular Board meeting and shall be confirmed and approved by the Board, if required
UWF	The chair and vice chair of the Board of Trustees, and the chairs of the standing committees of the Board, and the president of the university, who shall be ex-officio without vote, and the Board chair may appoint one additional trustee		



FLORIDA POLYTECHNIC
UNIVERSITY

Creation and Operation of a Board Executive Committee

December 5, 2018

Membership: Determine which of the following should be on the committee

- **Board Chair**
- **Board Vice Chair**
- **President- non-voting ex-officio member
(Secretary to Board)**
- **Standing Committee Chairs**
- **Appointees by Chair- if so, how many?**
- **Others?**

Authority: The following is the recommendation of the staff

- The Executive Committee may act on matters that, in the opinion of the Board Chair, must be timely approved between regularly scheduled Board meetings.
- The Executive Committee may exercise all powers and authority of the BOT except where the law, BOG regulation or directive, or BOT Bylaws or directives specifically require the full board to vote on.

Authority: The following is the recommendation of the staff

The following matters shall also be reserved for the full Board:

- **Board officer selection;**
- **Appointing and removing the President;**
- **Approving or discontinuing programs;**
- **Changes in institutional mission or purposes;**
- **Changes to the Board's bylaws;**
- **Incurring of indebtedness;**
- **Adoption of the annual operating and capital outlay budgets and the University's Capital Improvement Program list for funding by the Legislature, including the Public Education Capital Outlay list; and**
- **Sale or other disposition of the real property in the BOT's name.**

Reporting back to the Full Board

- **Actions taken by the Executive Committee shall be reported to the Board at the next Board meeting.**

**Florida Polytechnic University
Board of Trustees
Governance Committee**

Subject: Handling of Complaints

Proposed Action

No action required. Discussion on Trustees' responsibilities for handling complaints.

Supporting Documentation: N/A

Prepared by: Gina DeIulio, General Counsel