



STATE
UNIVERSITY
SYSTEM
of FLORIDA
Board of Governors

AGENDA
Board of Governors Meeting
Sudakoff Conference Center
New College of Florida
Sarasota, Florida
September 12, 2013
Upon Adjournment of Previous Meetings

1. **Call to Order and Chair's Report:** *Chair Dean Colson*277
2. **Approval of Board of Governors Meeting Minutes:**.....278
 - A. Minutes, *June 10, 2013*
 - B. Minutes, *June 20, 2013*
3. **Recognition of Chancellor Frank T. Brogan:** *Chair Colson*
4. **Chancellor's Report:** *Chancellor Frank T. Brogan*291
5. **Confirmation of Reappointment of President for University of Florida:** *Chair Colson*292
6. **Confirmation of Interim President for Florida Atlantic University:** *Chair Colson*296

7.	Consideration of Amendments to Board Operating Procedures: <i>Vikki Shirley, General Counsel</i>	299
8.	Approval of Amendment of Regulation 18.002 Notice and Protest Procedures for Protests Related to a University's Contract Procurement Process: <i>Vikki Shirley, General Counsel</i>	309
9.	Update, Commission on Higher Education Access and Attainment: <i>Dr. Jan Ignash, Chief Academic Officer</i>	321
10.	Facilities Committee Report: Governor H. Wayne Huizenga, Jr. Action: A. Public Notice of Intent to Amend the State University System of Florida Board of Governors Debt Management Guidelines B. Review and Approve 2014-2015 Fixed Capital Outlay Legislative Budget Request C. Debt Approval: Resolution of the Board of Governors Requesting the Division of Bond Finance of the State Board of Administration to Issue Revenue Bonds on behalf of the University of Florida to Finance the Construction of a Student Housing Facility on the Main Campus of the University of Florida D. Public Notice of Intent to Amend Board of Governors Regulations i. Regulation 9.005 Naming of Buildings and Facilities ii. Regulation 14.0025 Action Required Prior to Capital Outlay Appropriations iii. Regulation 14.023 Notice and Protest Procedures	323
11.	Budget and Finance Committee Report: Governor Tom Kuntz Action: A. Public Notice of Intent to Amend Board of Governors Regulations i. Regulation 7.001 Tuition and Associated Fees ii. Regulation 7.003 Fees, Fines and Penalties iii. Regulation 7.008 Waiver of Tuition and Fees iv. Regulation 9.007 State University Operating Budgets B. Public Notice of Proposed New Board of Governors Regulation 9.014 Collegiate License Plate Revenues	331

- C. 2013-2014 Operating Budgets
 - i. [State University System](#)
 - ii. [Board General Office](#)
- D. [Methodology for the Allocation of \\$20 Million in Performance Funding](#)
- E. [2014-2015 Legislative Budget Requests](#)
 - i. State University System
 - ii. Board General Office

12. Academic and Student Affairs Committee Report: *Governor Norman Tripp*.....344

Action:

- A. Public Notice of Intent to Amend Board of Governors Regulations
 - i. [Regulation 6.002](#) Admission of Undergraduate First-Time-in-College, Degree-Seeking Freshmen
 - ii. [Regulation 6.004](#) Admission of Undergraduate, Degree-Seeking Transfer Students
 - iii. [Regulation 6.008](#) Postsecondary College-level Preparatory Testing, Placement, and Instruction for State Universities
- B. [Proposal for the Wolfsonian-FIU Downtown Center to be a Special Purpose Center at Florida International University](#)

13. Strategic Planning Committee Report: *Governor Patricia Frost*.....348

Action:

- A. [Request to Close Florida Atlantic University Treasure Coast Campus](#)

14. Concluding Remarks and Adjournment: *Chair Colson*

(N.B.: As to any item identified as a "Consent" item, any Board member may request that such an item be removed from the consent agenda for individual consideration.)

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**
September 12, 2013

SUBJECT: Chair's Report to the Board of Governors

PROPOSED BOARD ACTION

For Information Only

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

The Chair, Dean Colson, will convene the meeting with opening remarks.

Supporting Documentation Included: None

Facilitators/Presenters: Chair Dean Colson

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**
September 12, 2013

SUBJECT: Approval of Minutes of Meetings held June 10, 2013 and June 20, 2013

PROPOSED BOARD ACTION

Approval of Minutes of the meeting held via telephone conference call on June 10, 2013; and the meeting held on June 20, 2013, at the University of South Florida, Tampa.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Board members will review and approve the Minutes of the meeting held via telephone conference call on June 10, 2013; and the meeting held on June 20, 2013, at the University of South Florida, Tampa.

Supporting Documentation Included: Minutes: June 10, 2013; and June 20, 2013

Facilitators/Presenters: Chair Dean Colson

INDEX OF MINUTES
BOARD OF GOVERNORS
STATE UNIVERSITY SYSTEM OF FLORIDA
BY TELEPHONE CONFERENCE CALL
TALLAHASSEE, FLORIDA
JUNE 10, 2013

*Video or audio archives of the meetings of the Board of Governors
and its Committees are accessible at <http://www.flbog.edu/>.*

<u>ITEM</u>	<u>PAGE</u>
1. Call to Order	1
2. Report, Strategic Planning Committee	1
3. Report, Audit and Compliance Committee Report	1
4. Report, Trustee Nominating and Development Committee	2
5. Concluding Remarks and Adjournment	2

MINUTES
BOARD OF GOVERNORS
STATE UNIVERSITY SYSTEM OF FLORIDA
BY TELEPHONE CONFERENCE CALL
TALLAHASSEE, FLORIDA
JUNE 10, 2013

Chair Dean Colson convened the meeting of the Board of Governors, State University System of Florida by telephone conference call from Tallahassee at 2:01 p.m., with the following members present: Vice Chair Mori Hosseini, Dick Beard, Matthew Carter, Carlo Fassi, Tom Kuntz, Ned Lautenbach, Alan Levine, Wendy Link, Ed Morton, John D. Rood, Norman Tripp, and Elizabeth Webster.

1. Call to Order

Chair Colson thanked members for participating in the conference call.

2. Report, Strategic Planning Committee

Chair Colson asked Mr. Rood to report out from the Strategic Planning Committee. Mr. Rood reported that the Strategic Planning Committee voted to designate the University of Florida and Florida State University as preeminent state universities. He further reported that the University of Florida met all 12 of the academic and research excellence standards spelled out in legislation and Florida State University met 11 of the 12 standards. Mr. Rood moved that the Board designate the University of Florida and Florida State University as preeminent state universities based on UF meeting all 12 of the academic and research excellence standards and FSU meeting 11 of the 12 standards. Mr. Morton seconded the motion, and the members of the Board concurred.

Mr. Rood also reported on legislation related to having the preeminent university that meets all 12 of the excellence standards create an institute for online learning. He reported that the committee discussed the timeline for implementing the institute.

3. Report, Audit and Compliance Committee Report

Chair Colson asked Mr. Levine to report out from the Audit and Compliance Committee. Mr. Levine reported that Inspector General Derry Harper presented the proposed Long-term and Annual Audit Plan for Fiscal Year 2013-2014. He further reported that the plan was developed based on a systematic risk assessment process. Audit priorities were identified for the next three fiscal years. Mr. Levine moved that the Board approve the State University System Board of Governors Long-Term and Annual Audit Plan for 2013-2014. Mr. Carter seconded the motion, and the members of the Board concurred.

MINUTES: BOARD OF GOVERNORS

JUNE 10, 2013

4. Report, Trustee Nominating and Development Committee

Chair Colson asked Mr. Hosseini to report out from the Trustee Nominating and Development Committee. Mr. Hosseini reported that the Committee recommends that the full Board re-appoint the Trustees from Florida Polytechnic University who were not confirmed by the Senate.

Mr. Hosseini moved that the Board re-appoint William M. Brown to the Florida Polytechnic University Board of Trustees for a term beginning June 10, 2013, and ending November 7, 2017. This appointment would be subject to confirmation by the Senate and to Mr. Brown attending an orientation if he has not attended an orientation in the past year. Mr. Kuntz seconded the motion, and the members of the Board concurred.

Mr. Hosseini moved that the Board re-appoint Sandra Featherman and Frank T. Martin to the Florida Polytechnic University Board of Trustees for terms beginning June 10, 2013, and ending July 15, 2015. These appointments would be subject to confirmation by the Senate. Ms. Link seconded the motion, and the members of the Board concurred.

Mr. Hosseini moved that the Board re-appoint Richard P. Hallion and Donald H. Wilson to the Florida Polytechnic University Board of Trustees for terms beginning June 10, 2013, and ending July 15, 2014. These appointments would be subject to confirmation by the Senate. Ms. Link seconded the motion, and the members of the Board concurred.

5. Concluding Remarks and Adjournment

Chair Colson reported that the Board's next in-person meeting will be held on June 18th, 19th, and 20th at the University of South Florida in Tampa. He reported that the Strategic Planning Committee would be hearing university work plans on both Tuesday and Wednesday and encouraged all members to attend those presentations.

Having no further business, the meeting was adjourned at 2:08 p.m., June 10, 2013.

Dean Colson, Chair

Monoka Venters,
Corporate Secretary

MINUTES: BOARD OF GOVERNORS

JUNE 20, 2013

INDEX OF MINUTES
BOARD OF GOVERNORS
STATE UNIVERSITY SYSTEM OF FLORIDA
UNIVERSITY OF SOUTH FLORIDA
BALLROOM, MARSHALL STUDENT UNION
TAMPA, FLORIDA
JUNE 20, 2013

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and its Committees are accessible at <http://www.flbog.edu/>.*

<u>ITEM</u>	<u>PAGE</u>
1. Chair's Report.....	1
2. American Council of Trustees and Alumni with The James Madison Institute Report, "Florida Rising: An Assessment of Public Universities in the Sunshine State"	2
3. Chancellor's Report	2
4. Approval of Meeting Minutes.....	3
A. Board of Governors Meeting held March 28, 2013	
5. Creation of a Florida Healthcare Patient Safety Organization	3
6. Strategic Planning Committee Report	3
A. Approve 2013-14 University Work Plans	
7. Facilities Committee Report	4
A. Approve 2014-2015 Fixed Capital Outlay Legislative Budget Request Guidelines	
B. Approve 2013-2014 University Capital Improvement Trust Fund Project Allocations	
C. Debt Approvals	
i. Resolution of the Board of Governors Authorizing the Issuance by Seminole Boosters, Inc. of Debt to Finance the Construction of a Student Housing Facility and Related Improvements near the Main Campus of the Florida State University	
ii. Resolution of the Board of Governors Authorizing the Issuance by the University of South Florida Financing Corporation of Debt to Reimburse a Portion of the Costs Associated with Financing the Improvement and Renovation of the Existing Arena and Convocation Center located on the Main Campus of the University of South Florida	
8. Budget and Finance Committee Report.....	5
A. Approve 2014-2015 Legislative Budget Request Guidelines	

MINUTES: BOARD OF GOVERNORS

JUNE 20, 2013

- B. Collegiate License Plate Expenditure Modification Requested by Florida State University
 - C. New Green Fee Requests
- 9. Academic and Student Affairs Committee Report 6
 - A. Approval, Ph.D. in Cell and Molecular Biology, CIP 26.0406, University of South Florida
 - B. Approval, Ph.D. in Integrated Biology, CIP 26.1399, University of South Florida
 - C. Termination, Ph.D. in Adult Education, CIP 13.1201, Florida State University
 - D. Exception to 120 Credit Hours to Degree, B.S. in Photonic Science and Engineering, CIP 14.1003, University of Central Florida
- 10. Trustee Nominating and Development Committee Report 7
 - A. Appointment of University Trustee, Florida A&M University (1 vacancy)
- 11. Concluding Remarks and Adjournment7

MINUTES
BOARD OF GOVERNORS
STATE UNIVERSITY SYSTEM OF FLORIDA
UNIVERSITY OF SOUTH FLORIDA
BALLROOM, MARSHALL STUDENT UNION
TAMPA, FLORIDA
JUNE 20, 2013

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1. Chair's Report

Chair Dean Colson convened the meeting at 1:10 p.m., on June 20, 2013, with the following members present: Vice Chair Mori Hosseini; Matthew Carter; Dr. Manoj Chopra; Carlo Fassi; Pat Frost (participating by phone); H. Wayne Huizenga, Jr.; Tom Kuntz; Ned C. Lautenbach; Alan Levine; Wendy Link; Ed Morton; and Norman Tripp.

Chair Colson thanked the University of South Florida and President Genshaft for hosting the three-day meeting. He commented that hosting this meeting is quite an undertaking, and the university have been marvelous hosts.

President Genshaft remarked that it is always a pleasure to showcase the university for the Board and the System. She announced that Dean Steve Klasko is leaving USF's College of Medicine to take a post in Philadelphia as President of Thomas Jefferson University and Chief Executive Officer of Thomas Jefferson University Health System. President Genshaft thanked Dean Klasko for his work for USF and the State of Florida.

Chair Colson recognized Cortez Whatley as a former member of the Board of Governors, the University of Central Florida Board of Trustees, and the Student Body President of the University of Central Florida. Chair Colson thanked Mr. Whatley for his work on the Aim Higher campaign to heighten awareness of the importance of state funding for the System. Chair Colson presented Mr. Whatley with a resolution. Mr. Kuntz moved that the Board approve the resolution recognizing Cortez Whatley. Mr. Fassi seconded the motion, and the members concurred. Mr. Whatley thanked the Board, the presidents, and staff for the opportunity to learn from them.

Chair Colson ceded the remainder of his opening remarks to Dr. Michael Poliakoff, Vice President of Policy for the American Council of Trustees and Alumni.

MINUTES: BOARD OF GOVERNORS

JUNE 20, 2013

2. American Council of Trustees and Alumni with The James Madison Institute Report, "Florida Rising: An Assessment of Public Universities in the Sunshine State"

Dr. Poliakoff presented a recently-released report on the System from ACTA with The James Madison Institute about the System. He said that the title "Florida Rising" was chosen to recognize the System's success in providing a high-quality education at reasonable costs. He commented that doing more with less had not come without hard work and real sacrifice from the universities, but the results are a model for the nation.

Dr. Poliakoff stated that Florida has hurled down a gantlet to the nation while setting high expectations for the future. He praised the System for increasing its overall graduation rates and retention rates over the last five years while the percentage of students who enter postsecondary education without graduating in the nation is increasing. He further praised the transparency and candor of the System and institutional accountability reports. He remarked that the Board has taken on the hardest and most courageous of all Board activities – prioritizing academic programs.

Dr. Poliakoff offered suggestions for Florida's continued upward trajectory: (1) strengthen the core curriculum by requiring American history or government, economics, and literature; (2) make a robust commitment to assessing student progress in core collegiate skills; and (3) enhance the accountability report by adding grade distribution, space utilization, and faculty teaching time and (4) seize the opportunity for inter-campus collaboration in offering academic programs.

Dr. Poliakoff responded to questions from the members. Chair Colson asked Chancellor Brogan and staff to look at the recommendations in the report and said that the Board will look at how to implement the recommendations and the costs for doing so over the next few meetings.

3. Chancellor's Report

Chancellor Brogan thanked the University of South Florida for hosting the Board of Governors meeting and for hosting the first meeting of the Task Force on Postsecondary Online Education. He said that the Board of Governors directed the Task Force to look at ways that Florida can provide more effective and efficient online offerings. Dr. Joel Hartman from the University of Central Florida is chairing the Task Force.

Chancellor Brogan reminded members that the University of Central Florida will be hosting a crisis management conference on July 9th-10th to discuss on-campus and System safety. He reported that UCF anticipates about 100 participants.

MINUTES: BOARD OF GOVERNORS

JUNE 20, 2013

Chancellor Brogan mentioned that the Florida A&M University Corrective Action Plan is included in the materials. He reported staff from the Board and Florida A&M have provided timelines and deadlines for the Corrective Action Plan. He thanked Governor Levine and Interim President Robinson for their engagement and full attention.

4. Approval of Meeting Minutes

A. Board of Governors Meeting held March 28, 2013

Mr. Kuntz moved that the Board approve the Minutes of the Meeting held on March 28, 2013, as presented. Mr. Tripp seconded the motion, and the members concurred.

5. Creation of a Florida Healthcare Patient Safety Organization

Chair Colson called on the Board's General Counsel Vikki Shirley to make a presentation on the creation of a Florida Healthcare Patient Safety Organization (PSO). Ms. Shirley requested that the Board authorize Chancellor Brogan to file an application with the Agency for Healthcare and Research Quality of the U.S. Department of Health and Human Services to create a system-wide PSO to serve the System's six colleges of medicine. She elaborated that the PSO will collect and analyze patient safety information to improve patient safety, to develop best practices, and to reduce the potential for future adverse events. She explained that the PSO will be staffed by the University of Florida Self-Insurance Program. She reported that the Chancellor received letters of support from the six colleges of medicine. She said that our System would be first System in the country to create a PSO.

Ms. Shirley introduced Mr. Randall C. Jenkins, Director of the University of Florida J.H. Miller Health Center Self-Insurance Program. Mr. Jenkins presented information about the benefits of a PSO for the System, emphasizing the potential reduction in malpractice claims filed against the medical schools. He also presented information about the proposed structure of the PSO. Mr. Jenkins responded to questions from members.

Mr. Morton moved that the Board authorize the Chancellor to take action on behalf of the Board of Governors to secure approval from the Agency for Healthcare Research and Quality to establish the Florida Academic Healthcare Patient Safety Organization. Mr. Lautenbach seconded the motion, and the members concurred.

6. Strategic Planning Committee Report

A. Approval 2013-14 University Work Plans

Chair Colson provided the report for Strategic Planning Committee. He explained that the members spent two days hearing university work plan presentations. He said that

MINUTES: BOARD OF GOVERNORS

JUNE 20, 2013

the Committee reviewed mission and vision statements, statements of strategy, articulations of strengths and opportunities, and information about key initiatives and investments.

Chair Colson reported that the Strategic Planning Committee had asked Florida Atlantic University to provide additional information about its medical school. FAU provided that information. Chair Colson asked if any member had additional questions for FAU, and no member posed a question.

Chair Colson moved that the Board approve those portions of the twelve university work plans associated with the 2013-14 academic year, excluding those sections of the work plans that require any additional regulatory or procedural review or approval pursuant to law or Board regulations and accept the out-year portions of the work plans. Mr. Carter seconded the motion, and the members concurred.

7. Facilities Committee Report

Chair Colson recognized Mr. Huizenga to report on the Facilities Committee. Mr. Huizenga reported that the Committee addressed the continuing lack of PECO and the need to continue advocating for increased capital project funding based on more credible and realistic capital project plans from the universities.

Mr. Huizenga reported that the Committee has four action items.

A. Approve 2014-15 Fixed Capital Outlay Legislative Budget request Guidelines

Mr. Huizenga moved that the Board approve the 2014-15 Fixed Capital Outlay Legislative Budget Request Guidelines as presented. Mr. Carter seconded the motion, and the members concurred.

B. Approve 2013-2014 University Capital Improvement Trust Fund Project Allocations

Mr. Huizenga moved that the Board approve the 2013-2014 University Capital Improvement Trust Fund Allocations as presented. Mr. Carter seconded the motion, and the members concurred.

C. Debt Approvals

- i. Resolution of the Board of Governors Authorizing the Issuance by Seminole Boosters, Inc. of Debt to Finance the Construction of a Student Housing Facility and Related Improvements near the Main Campus of the Florida State University

MINUTES: BOARD OF GOVERNORS

JUNE 20, 2013

Mr. Huizenga moved that the Board approve the resolution authorizing the issuance by Seminole Boosters, Inc. of debt to finance the construction of a student housing facility and related improvements near the main campus of the Florida State University. Mr. Fassi seconded the motion. Mr. Kuntz abstained from the vote because the debt is being financed by SunTrust, and Mr. Kuntz is the Chairman, President, and Chief Executive Officer of Sun Trust Bank Florida. Mr. Kuntz filed a Memorandum of Voting Conflict for State Officers with the Corporate Secretary within 15 days. A copy of the Memorandum of Voting Conflict filed by Mr. Kuntz on June 21, 2013, is attached to the minutes. The members of the Board concurred, with Mr. Kuntz abstaining.

- ii. Resolution of the Board of Governors Authorizing the Issuance by the University of South Florida Financing Corporation of Debt to Reimburse a Portion of the Costs Associated with Financing the Improvement and the Renovation of the Existing Arena and Convocation Center located on the Main Campus of the University of South Florida

Mr. Huizenga moved that the Board approve the resolution authorizing the issuance by the University of South Florida Financing Corporation of debt to reimburse a portion of the costs associated with financing the improvement and the renovation of the existing arena and convocation center located on the main campus of the University of South Florida subject to restrictions outlined in the resolution on the use of the debt proceeds. Mr. Carter seconded the motion. Mr. Kuntz abstained from the vote because the debt is being financed by SunTrust, and Mr. Kuntz is the Chairman, President, and Chief Executive Officer of Sun Trust Bank Florida. Mr. Kuntz filed a Memorandum of Voting Conflict for State Officers with the Corporate Secretary within 15 days. A copy of the Memorandum of Voting Conflict filed by Mr. Kuntz on June 21, 2013, is attached to the minutes. The members of the Board concurred, with Mr. Kuntz abstaining.

8. Budget and Finance Committee Report

Chair Colson recognized Mr. Kuntz to report on the Budget and Finance Committee. Mr. Kuntz reported that the Committee did not approve requests for capital improvement fee increases or new green fees requested by the universities.

- A. Approve 2014-2015 Legislative Budget Request Guidelines

Mr. Kuntz moved that the Board approve the 2014-2015 Legislative Budget Request Guidelines for the operating budget as presented. Mr. Carter seconded the motion, and the members concurred.

- B. Collegiate License Plate Expenditure Modification Requested by Florida State University

MINUTES: BOARD OF GOVERNORS

JUNE 20, 2013

Mr. Kuntz moved that the Board approve the collegiate license plate expenditure plan modification requested by Florida State University. Mr. Morton seconded the motion, and the members concurred.

- C. Approve Public Notice of Intent to Amend Regulation 18.002 Notice and Protest Procedures for Protests Related to a University's Contract Procurement Process

Mr. Kuntz moved that the Board approve notice of proposed amendments to Regulation 18.002 Notice and Protest Procedures for Protests Related to a University's Contract Procurement Process. Mr. Lautenbach seconded the motion, and the members concurred.

9. Academic and Student Affairs Committee Report

Chair Colson recognized Ms. Link to report on the Academic and Student Affairs Committee. Ms. Link reported that the Committee discussed its 2013-2014 work plan, received a report on university research from Vice Chancellor Jan Ignash, and heard a presentation from the Florida Institute on Oceanography.

- A. Approval, Ph.D. in Cell and Molecular Biology, CIP 26.0406, University of South Florida

Ms. Link moved that the Board approve a Ph.D. in Cell and Molecular Biology CIP 26.0406 at the University of South Florida. Mr. Carter seconded the motion, and the members concurred.

- B. Approval, Ph.D. in Integrated Biology, CIP 26.1399 and Termination of Ph.D. in Biology, CIP 26.0101, University of South Florida

Ms. Link moved that the Board approve a Ph.D. in Integrative Biology CIP 26.1399 at the University of South Florida. Mr. Carter seconded the motion, and the members concurred.

Ms. Link moved that the Board approve the termination of the Ph.D. in Biology CIP26.0101 at the University of South Florida. Mr. Carter seconded the motion, and the members concurred

- C. Termination, Ph.D. in Adult Education, CIP 13.1201, Florida State University

Ms. Link moved that the Board approve the termination of the Ph.D. in Adult Education CIP 13.1201 at Florida State University. Mr. Carter seconded the motion, and the members concurred.

MINUTES: BOARD OF GOVERNORS

JUNE 20, 2013

- D. Exception to 120 Credit Hours to Degree, B.S. in Photonic Science and Engineering, CIP 14.1003, University of Central Florida

Ms. Link moved that the Board approve an exception to 120 credit hours to degree for the B.S. in Photonic Science and Engineering CIP 14.1003 at the University of Central Florida. Mr. Carter seconded the motion, and the members concurred.

10. Trustee Nominating and Development Committee Report

Chair Colson recognized Mr. Hosseini to report on the Trustee Nominating and Development Committee.

- A. Appointment of University Trustee, Florida A&M University (1 vacancy)

Mr. Hosseini moved that the Board appoint Kimberly Ann Moore to the Florida A&M University Board of Trustees for a term beginning June 20, 2013, and ending January 6, 2018. This appointment would be subject to confirmation by the Senate and to Ms. Moore attending an orientation. Mr. Carter seconded the motion, and the members concurred.

Chair Colson commented that Ms. Moore is replacing Bill Jennings on the Board of Trustees for Florida A&M University. He thanked Mr. Jennings for his many years of service to Florida A&M University, including serving as the Chair of the Board of Trustees. Chair Colson commended Mr. Jennings for being a wonderful trustee who will continue to contribute to Florida A&M University and the System.

11. Concluding Remarks and Adjournment

Members made closing comments. Chair Colson thanked members for taking time to attend the three-day meeting. Having no further business, the meeting was adjourned at 2:27 p.m., June 20, 2013.

Dean Colson, Chair

Monoka Venters,
Corporate Secretary

FORM 8A MEMORANDUM OF VOTING CONFLICT FOR STATE OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME Kuntz, Thomas G.	NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE Board of Governors, State University System of Florida
MAILING ADDRESS 200 S. Orange Ave., 6th Floor	NAME OF STATE AGENCY
CITY Orlando	COUNTY Orange
DATE ON WHICH VOTE OCCURRED June 20, 2013	MY POSITION IS: <input type="checkbox"/> ELECTIVE <input checked="" type="checkbox"/> APPOINTIVE

WHO MUST FILE FORM 8A

This form is for use by any person serving at the State level of government on an appointed or elected board, council, commission, authority, or committee. It applies equally to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

Your responsibilities under the law when faced with voting on a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing the reverse side and filing the form.

INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

ELECTED OFFICERS:

As a person holding elective state office, you may vote on a measure which inures to your special private gain or loss; to the special gain or loss of a principal by whom you are retained (including the parent organization or subsidiary of a corporate principal by which you are retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. However, if you vote on such a measure you must complete this form and file the form within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes.

For purposes of this law, a "relative" includes only your father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with you as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

APPOINTED OFFICERS:

As a person holding appointive state office, you may vote on a measure which inures to your special private gain or loss; to the special gain or loss of a principal by whom you are retained (including the parent organization or subsidiary of a corporate principal by which you are retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. However, you must disclose the nature of the conflict before voting or before making any attempt to influence the decision by oral or written communication, whether made by you or at your direction.

For purposes of this law, a "relative" includes only your father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with you as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:

- You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes.
- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION OR VOTE AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

DISCLOSURE OF STATE OFFICER'S INTEREST

I, Thomas G. Kuntz, hereby disclose that on June 20, 20 13 :

(a) A measure came or will come before my agency which (check one)

- ☐ inured to my special private gain or loss;
- ☐ inured to the special gain or loss of my business associate, _____;
- ☐ inured to the special gain or loss of my relative, _____;
- ☒ inured to the special gain or loss of SunTrust Bank, Florida, by
whom I am retained; or
- ☐ inured to the special gain or loss of _____, which
is the parent organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

The measures before the Board of Governors entailed approval of the issuance of debt by the Seminole Boosters, Inc. to finance construction of a student housing facility, and by the University of South Florida Financing Corporation to reimburse the University of South Florida for a portion of the costs associated with the renovation of the USF Arena and Convocation Center. In both measures, the financing will be in the form of a loan made by SunTrust Bank, Florida and the bank was selected pursuant to a competitive procurement process. As the Chairman, President, and Chief Executive Officer of SunTrust Bank, Florida, I felt it prudent to abstain from the vote on these measures to avoid any appearance of a potential conflict of interest between my responsibilities as a Board of Governors' member and my position with SunTrust Bank, Florida.

Date Filed

6/21/13

Signature

Thomas G. Kuntz

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED \$10,000.

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

September 12, 2013

SUBJECT: Chancellor's Report to the Board of Governors

PROPOSED BOARD ACTION

For Information Only

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Chancellor Frank Brogan will report on activities affecting the Board staff and the Board of Governors since the last meeting of the Board.

Supporting Documentation Included: None

Facilitators/Presenters: Chancellor Frank T. Brogan

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

September 12, 2013

SUBJECT: Confirmation of Reappointment of the President for University of Florida

PROPOSED BOARD ACTION

Confirm the reappointment of Dr. J. Bernard Machen as the president of the University of Florida as recommended by the Board of Trustees of the University of Florida.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Section 1001.706, Florida Statutes.

BACKGROUND INFORMATION

Subsection 1001.706(6)(a), Florida Statutes provides, "The Board of Governors shall confirm the presidential selection and reappointment by a university board of trustees as a means of acknowledging that system cooperation is expected."

On June 7, 2013, the Board of Trustees of the University of Florida unanimously reappointed Dr. J. Bernard Machen to serve as the president of the University of Florida. The reappointment extends the term of Dr. Machen's contract for one year until December 31, 2014.

During President Machen's tenure as president of the University of Florida, the university has grown its research volume by approximately seventy percent. The university also created Innovation Square to support industry-academic research collaborations and economic development. Highlights of Dr. Machen's leadership of the University of Florida are included in the Board materials.

The University of Florida Board of Trustees Chair C. David Brown, II requested confirmation of President Machen's reappointment by the Board of Governors. The reappointment is pending confirmation by the Board of Governors.

Supporting Documentation Included: Letter from the University of Florida Board of Trustees Chair, highlights of leadership, and summary of key contract amendment terms.

Facilitators/Presenters: Dean Colson, Chair, Board of Governors
C. David Brown, II, Chair, University of Florida Board of Trustees



Board of Trustees

August 16, 2013

Dean Colson, Chairman
Florida Board of Governors
325 W. Gaines Street
Tallahassee, Florida 32399

226 Tigert Hall
PO Box 113150
Gainesville, FL 32611-3150
352-392-1311
352-392-9506 Fax

Re: Extension of the Appointment of President J. Bernard Machen, University of Florida

Dear Chairman Colson:

As you know, at its June 7, 2013 meeting, the University of Florida Board of Trustees (UF BOT) unanimously approved the extension of Dr. J. Bernard Machen's appointment as President of the University through December 31, 2014 (from December 31, 2013). I am submitting this letter to request that the Board of Governors confirm the extension of Dr. Machen's appointment through December 31, 2014 at the Board of Governor's September 12, 2013 meeting, pursuant to Subsection 1001.706(6)(a), Florida Statutes, which states : "[t]he Board of Governors shall confirm the presidential...reappointment by a university board of trustees as a means of acknowledging that system cooperation is expected."

For almost 10 years and with great success, President Machen has led University of Florida. (See the attached highlights and, at the request of Ms. Venters, a summary of key contract amendment terms at the time of the appointment extension.) The UF BOT asked President Machen to continue his service for another year because there was broad consensus on the UF BOT, as well as with you and Vice Chair Mori Hosseini, that President Machen is best-qualified to help advance the University toward top 10 status, an opportunity which the Florida Legislature, Governor, and Board of Governors have now provided. The University thanks the Board of Governors for its support of UF and the entire State University System in important efforts to serve the state of Florida and society.

Sincerely,

A handwritten signature in blue ink, appearing to read "C. David Brown, II".

C. David Brown, II
Chair of the Board of Trustees

Cc: Mori Hosseini, Vice Chair, BOG
President J. Bernard Machen
Monoka Venters, Corporate Secretary, BOG
Vikki Shirley, General Counsel, BOG
Jamal Sowell, Special Assistant to the President
Jamie Lewis Keith, VP and General Counsel, UF

Highlights of the 10-Year Leadership of President J. Bernard Machen, University of Florida

- UF has grown its research volume by ~70 percent —reaching over \$700M in annual research expenditures;
- UF has created Innovation Square to support industry-academic research collaborations and economic development, attracting MindTree, Mobiquity LTD and Sears Holding's Center of Excellence—as well as Innovation Academy to foster education excellence for students with entrepreneurial interests and maximizing UF's capacity to serve students year-round;
- the quality of UF's faculty and student body, which has been excellent for many years, has been further enhanced;
- UF has created the highly successful Florida Opportunity Scholarship program -- which provides the life-changing opportunity to attend UF to students who are first in their families to attend college and are from low socio-economic backgrounds and has also enhanced the broad diversity of the student body;
- UF has completed a \$1.7B capital campaign—surpassing the campaign goal and being the 6th most successful capital campaign of any public university in the U.S.;
- UF has constructed many state-of-the-art research facilities on campus and at Lake Nona, and is pursuing the long-needed expansion and renovation of the J. Wayne Reitz Union, UF's student center and an important service, community-building and co-curricular educational facility for UF students;
- UF's Health Science Center and our affiliated Shands teaching hospitals have reached a new level of achievement and close collaboration in *University of Florida Health*, enhancing and focusing on the quality of patient treatment and excellence in research and education;
- UF has built an excellent administration;
- by timely taking difficult cutting and efficiency measures, UF has capably addressed years of major state budget reductions in a responsible, mission-driven manner;
- in the 2013 Legislative session—having earned support of the Legislature, Governor and Board of Governors—preeminence and on-line education legislation was enacted, with an approach that can benefit UF's and other state universities' service of the State and beyond.
- UF is highly ranked by Kiplinger, Princeton Review and Money Magazine for its quality and value of education.

Dr. Machen came to the University of Florida after serving as Provost and Executive Vice President of Academic Affairs at University of Michigan and as President of University of Utah. After graduating from Vanderbilt University for his undergraduate studies, he earned his doctor of dental surgery degree from St. Louis University and his masters of science degree in pediatric dentistry and doctorate in educational psychology from the University of Iowa. He has held many leadership positions in higher education. In his distinguished career, Dr. Machen has maximized the benefits and productivity resulting from the interplay of excellent academics, academic research and entrepreneurial and economic development endeavors.

**Summary of Key Contract Amendment Terms,
At The Extension of President J. Bernard Machen's Appointment**

The University of Florida Board of Trustees, on June 7, 2013, voted unanimously to extend President J. Bernard Machen's appointment for one year. Key terms of the contract amendment with the extension of President Machen's appointment, include:

- (1) extending the Term one year, through December 31, 2014 (from December 31, 2013);
- (2) while retaining the right to terminate for cause, deleting both termination by the Board without cause and associated severance for Dr. Machen, as unnecessary for a short-term extension of a proven president of almost 10 years; and
- (3) adjusting President Machen's total compensation to bring it from under the 25th percentile to the 50th percentile for peer public research universities.

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

September 12, 2013

SUBJECT: Confirmation of Interim President for Florida Atlantic University

PROPOSED BOARD ACTION

Confirm appointment of Dennis J. Crudele as the interim president of Florida Atlantic University as recommended by the Board of Trustees of Florida Atlantic University.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board of Governors Regulation 1.001
University Boards of Trustees Powers and Duties.

BACKGROUND INFORMATION

Subparagraph (5)(d) of Regulation 1.001 provides, "In the event that a board of trustees selects an interim president, such selection is subject to confirmation of the candidate by the Board of Governors."

On June 27, 2013, the Board of Trustees of Florida Atlantic University selected Dennis J. Crudele to serve as the interim president of Florida Atlantic University beginning on August 13, 2013. The appointment is pending confirmation by the Board of Governors.

By letter to Chair Dean Colson, Florida Atlantic University Board of Trustees Chair Anthony Barbar requested confirmation of Mr. Crudele's appointment by the Board of Governors. Florida Atlantic University also provided the Curriculum Vitae of the candidate. Mr. Crudele has been an administrator at Florida Atlantic University for over 26 years and has experience in purchasing, administration and finance, operations management, and financial affairs. In 2010, Mr. Crudele was named as Senior Vice President for Financial Affairs to oversee the university's operating budget and served in that role until he was named as Acting President on May 14, 2013.

Supporting Documentation Included: Letter from Florida Atlantic University Board of Trustees Chair, Curriculum Vitae of the Candidate.

Facilitators/Presenters: Dean Colson, Chair, Board of Governors
Anthony Barbar, Chair, Florida Atlantic
University Board of Trustees



August 15, 2013

Dean Colson, Chairman
Board of Governors
State University System of Florida
325 West Gaines Street, Suite 1614
Tallahassee, FL 32399

Dear Governor Colson:

On Thursday, June 27, 2013, the Board of Trustees at Florida Atlantic University unanimously voted Mr. Dennis Crudele to serve as interim president starting on Tuesday, August 13, 2013. Mr. Crudele has worked at FAU for over 26 years, serving most recently as Senior Vice President for Finance and Administration. Mr. Crudele has agreed to serve while FAU conducts a national search for a new president, but he will not be a candidate for permanent president.

Please let me know if there is anything else you will need in preparation for the confirmation of this appointment by the Board of Governors.

Sincerely,

A handwritten signature in blue ink that reads "Anthony K.G. Barbar".

Anthony K.G. Barbar
Chairman

Cc: Chancellor Frank Brogan, State University System of Florida
Mr. Dennis Crudele, Interim President, Florida Atlantic University

Interim President Dennis J. Crudele

Dennis J. Crudele, a longtime administrator at Florida Atlantic University, was named the University's Acting President on May 15, 2013. His ongoing appointment as Interim President became effective on August 13, 2013.

Prior to becoming Acting President, Mr. Crudele was FAU's Senior Vice President for Financial Affairs, with oversight responsibility for many departments and functions of the University, including Human Resources, the FAU Police Department, the University Budget Office, Business Services, the University Controller, the Purchasing Department, Administrative Technology Support Services and Business/Auxiliary Services. He also is Executive Director of the FAU Finance Corporation and he serves as liaison to the Audit and Finance Committee of the FAU Board of Trustees.

Mr. Crudele came to FAU in 1987 as Director of Purchasing after serving as Associate Director of Purchasing at the University of South Florida for one year. Over the course of 26 years at FAU, he has risen steadily through the ranks, serving successively as Assistant Vice President for Administration and Finance, Assistant Vice President of Operations Management in the Division of Student Affairs, Associate Vice President for Financial Affairs and Acting Vice President for Financial Affairs. In 2010 he was named Senior Vice President for Financial Affairs, overseeing an operating budget of \$587 million. He has played a major role in the University's efforts to deal with challenges generated by repeated deep cuts in state funding, totaling \$79 million over six years.

Mr. Crudele spent eight years at the Florida Board of Regents, which was the governing body of the State University System until 2003, when it was succeeded by the Board of Governors. From 1978 to 1986, he held a number of positions at the Board of Regents, including Office Operations Supervisor of Business and Financial Services and Purchasing Agent. His service on the Board allowed him to gain system-wide knowledge of the business/financial side of university operations.

Mr. Crudele has a bachelor's degree in political science from Florida State University.

-FAU-

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**
September 12, 2013

SUBJECT: Consideration of Amendments to Board of Governors Operating Procedures

PROPOSED BOARD ACTION

Consideration of Amendments to Board of Governors Operating Procedures

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Section 286.0114, Florida Statutes

BACKGROUND INFORMATION

During the 2013 legislative session, a new law was enacted to provide the public with the reasonable opportunity to be heard on a proposition pending before a public board, subject to policies established by the board in accordance with the statutory requirements. The new law becomes effective October 1, 2013, and Article V, Section H of the Board's Operating Procedures is being amended to ensure that the Board's public comment provisions comply with the new law.

In addition, Article VI, Section C is being amended to include the new Health Initiatives Committee as a Standing Committee of the Board.

Supporting Documentation Included: Board of Governors Operating Procedures

Facilitators/Presenters: Vikki Shirley, General Counsel

**OPERATING PROCEDURES OF
THE BOARD OF GOVERNORS OF
THE STATE UNIVERSITY SYSTEM OF FLORIDA**

ARTICLE I. CORPORATE NAME

The Board of Governors is a body corporate to be known as the “Board of Governors of the State University System of Florida.”

ARTICLE II. AUTHORITY AND RESPONSIBILITY

The Board of Governors (the Board) is the governing body of the State University System of Florida (the System) that is vested with all of the powers, duties and authority delegated to the Board by Article IX, Section 7 of the Florida Constitution for the operation, regulation, control, management and governance of the whole university system. The Board of Governors possesses such other authority granted under the Florida Constitution and as provided by the laws of Florida.

ARTICLE III. MEMBERSHIP OF THE BOARD

The Board of Governors is comprised of seventeen members. Fourteen members of the Board are appointed by the Governor and three members serve by virtue of their offices: the Commissioner of Education, the Chair of the Advisory Council of Faculty Senates, and the President of the Florida Student Association. The appointed members are confirmed by the Florida Senate and serve staggered terms of seven years. Such members shall serve until their successors are appointed and qualified. In the event of a vacancy of an appointed member by whatever cause, except for the expiration of a term, the Board shall request the Governor to appoint a successor to fill the vacancy for the remainder of the unexpired membership term.

ARTICLE IV. OFFICERS OF THE BOARD AND CHANCELLOR

Section A. Officers

The officers of the Board of Governors shall consist of the Chair, the Vice Chair, and the Corporate Secretary.

Section B. Selection of Officers and Term of Office

The Chair and Vice Chair shall be elected by a majority vote of the Board at a meeting held during the month of November of each odd-numbered year. The term of office shall commence on the first day of the January following the November election. Each officer shall serve for two years and may be re-elected for one additional consecutive two-year term. Any exception to this term of office shall be approved by a two-thirds vote of the members present at the meeting, provided there is a quorum.

Section C. Vacancy in Office

In the event of a vacancy in the office of the Chair, the Vice Chair shall assume the position of Chair and shall serve out the remainder of the Chair's term of office. In the event of a vacancy in the office of the Vice Chair, the Board shall hold a special election as soon as practicable to select a successor who shall serve out the remainder of the Vice Chair's term of office.

Section D. Chair

- (1) The Chair shall preside at all meetings of the Board and shall have the authority to call any special or emergency meetings of the Board.
- (2) The Chair shall appoint the members of all standing and ad hoc committees of the Board and select the chairs of such committees.
- (3) The Chair is authorized to execute all instruments and documents approved or issued by the Board or as delegated by the Board.
- (4) The Chair shall serve as the official spokesperson of the Board and shall exercise such other powers and duties that inure to the office of Chair of a body corporate.

Section E. Vice Chair

The Vice Chair shall perform the duties of the Chair and have the same power and authority in the absence or disability of the Chair.

Section F. Chancellor

- (1) The Chancellor is the chief executive officer of the Board and the State University System. The Chancellor shall perform all such duties as necessary to assist with the Board's implementation of its constitutional duties

and responsibilities related to the governance of the System. The Chancellor is responsible for the prompt and effective execution of all Board regulations, policies, guidelines and resolutions.

(2) The Chancellor shall serve as the Board's liaison for communications with university boards of trustees, university presidents and other university officers and employees, the Legislature, other state entities, officers, agencies, the media, and the public.

(3) The Chancellor shall keep the Board informed of all issues affecting or that may affect the System and make such recommendations to the Board for the development of any new regulations, policies or guidelines and any amendments to existing regulations, policies or guidelines.

(4) The Chancellor shall attend and participate in all meetings of the Board, its committees, and prepare and submit such reports as may be required by the Board or by law, or as deemed necessary by the Chancellor.

(5) The Chancellor shall be responsible for preparing and submitting an annual legislative budget requests for the System and the general office to the Board for approval and for recommending any amendments as may be required.

(6) The Chancellor shall be responsible for the efficient operation of the general office, and is authorized to enter into any contracts necessary for the operation of the Board and the general office, to employ all personnel and establish all policies and procedures incident to general office personnel and operations, to submit an annual legislative budget request for the general office to the Board for approval and for recommending any amendments as may be required, to provide any general office budgetary information as may be requested by the Board or Board Chair, to oversee all departments and functions, and to take any other actions as deemed appropriate by the Chancellor to foster efficient and effective Board operations.

Section G. Corporate Secretary

Upon recommendation of the Chancellor, the Chair shall select a member of the general office staff to serve as the Corporate Secretary. The Corporate Secretary shall serve at the pleasure of the Board and shall:

- (1) Maintain an accurate record of the proceedings of the Board;
- (2) Have custody of all official records and documents of the Board;

- (3) Have custody of the corporate seal of the Board, affix the seal to official documents and attest to same;
- (4) Notice all meetings of the Board as required by applicable law; and
- (5) Serve as agency clerk for the Board.

ARTICLE V. MEETINGS OF THE BOARD

Section A. Regular Meetings

There shall be no fewer than six regular meetings per year which shall be open and noticed to the public in accordance with the Article I, Section 24 of the Florida Constitution and the requirements of Chapter 286, Florida Statutes.

Section B. Special Meetings

The Chair may convene special meetings, including workshops or retreats, of the Board as deemed appropriate. Such meetings shall be open and noticed to the public in accordance with the Article I, Section 24 of the Florida Constitution and the requirements of Chapter 286, Florida Statutes.

Section C. Emergency Meetings

The Chair may convene a meeting of the Board for the purpose of acting on emergency matters affecting the System or as necessary to preserve the health, safety or welfare of the public. Such meetings shall be open to the public and the Board shall provide such notice of the meeting as is reasonable under the circumstances.

Section D. Use of Technology

Any meeting of the Board may be conducted through a telephone conference call or by any other technological means. Any such meetings shall be open and noticed to the public in accordance with the Article I, Section 24 of the Florida Constitution and the requirements of Chapter 286, Florida Statutes.

Section E. Agenda

The Chair, in consultation with the Chancellor of the System, shall approve items to be placed on the agenda for each Board meeting. Any member may request items to be placed on the agenda for discussion or action at a meeting, subject to approval by the Board. Any such item approved by the Board will be placed on the agenda for the next regularly scheduled meeting. All agenda

items and supporting documentation must be submitted to the Chancellor with sufficient time for distribution to the Board members at least seven days in advance of the meeting where the item will be considered.

Section F. Quorum and Voting

A majority of the members of the Board must be present to constitute a quorum to transact official business. The decision of the majority of members in attendance and voting on an issue shall prevail, unless otherwise provided herein. The vote upon any resolution, motion or other matter may be by voice vote, but the Chair may require a roll call vote if deemed appropriate. A member may abstain from voting only under those circumstances prescribed by law. Voting by proxy or by mail is not permitted.

Section G. Minutes

Minutes of the meetings of the Board shall be kept by the Corporate Secretary who shall file and preserve all minutes, agendas and agenda materials, notices, resolutions, and other documents pertaining to the business and proceedings of the Board. Records of the meetings, including any video or audio recordings, are public records subject to Chapter 119, Florida Statutes.

Section H. Appearances before the Board

Individuals, organizations, or groups or factions who desire to appear before the Board to be heard on a proposition pending before the Board ~~initiate a subject within the Board's jurisdiction shall complete~~ submit a public comment form ~~request~~ specifying the matter on which they wish to be heard. Public comment forms will be available at each to the Corporate Secretary meeting and must be submitted prior to the plenary meeting of the Board. For meetings held telephonically, public comment forms can be obtained from the Corporate Secretary and must be submitted prior to the date of the meeting, 325 West Gaines Street, Suite 1614, Tallahassee, Florida 32399. Organizations, groups or factions wishing to address the Board on a proposition shall designate a representative to speak on its behalf to ensure the orderly presentation of information to the Board. The Board will reserve a maximum of fifteen minutes during the plenary meeting of the Board to take public comment. Individuals and representatives of organizations, groups or factions shall be allotted three minutes to present information; however, The Chair this time limit may be extended or shortened depending upon the number of speakers at the discretion of the Chair, in consultation with the Chancellor, will determine whether the item will be considered and, if so, the timing of when such item will be placed on the agenda. The Chair may place time limits on any presentation and the number of speakers permitted to present the item.

Section I. Parliamentary Rules

When not in conflict with any of the Board's Operating Procedures, regulations, policy, or state law, Robert's Rules of Order shall be utilized as a guide in conducting the meetings of the Board.

ARTICLE VI. COMMITTEES

Section A. Purpose

The Chair shall have the authority to establish standing and ad hoc committees of the Board. Standing and ad hoc committees of the Board shall consider matters that are encompassed within the subject matters assigned to each committee and make recommendations to the Board. Unless specifically delegated or otherwise provided by Board regulation, authority to act on all matters is reserved to the Board.

Section B. Membership and Quorum

The Chair of the Board shall have the authority to appoint and remove members of each committee, and select committee chairs. A majority of committee members present at a committee meeting constitutes quorum for purposes of committee business.

Section C. Standing Committees

The standing committees of the Board and the scope of responsibility for each committee is as follows:

(1) *Academic and Student Affairs*: The activities of this committee shall include, but not be limited to, providing leadership for the development of system-level policy regarding admissions, articulation, academic programs, research and economic development, and student support services for the System; the review and approval of academic programs, limited access requests, and exceptions to state mandated program lengths; and regulations and issues relating to the aforementioned areas of responsibilities.

The committee shall identify and address issues that are critical to the well-being of state university students through regular contact with and input from the SUS Council for Student Affairs and the Florida Student Association. In addition, the committee is responsible for issues associated with the System's efforts in research and economic development, ~~and all issues associated with medical education in the System.~~

(2) *Audit and Compliance:* The activities of this committee are governed by the *Audit and Compliance Committee Charter* (Charter) that articulates the committee's duties and responsibilities. The committee's responsibilities, as they relate to the operation and management of the Board, are to provide oversight of activities related to internal audit, financial controls, compliance and ethics; to review significant accounting and reporting issues and confirm appropriate management responses; to review risk assessment methodologies and risk management policies; to assess the effectiveness of the internal control system; and to review and confirm appropriate management response to any report of significant audit or compliance-related findings and recommendations.

The committee's responsibilities, as they relate to the operation and management of the System, are to act as a liaison with university boards of trustees; review university independent audited financial statement reports and internal university audit reports; identify trends in these reports and confirm that adverse trends are being addressed; initiate inquiries if the committee has reasonable cause to believe a university is not providing for appropriate response to significant audit findings; direct the Board's Inspector General to conduct an inquiry or investigation if the committee has reasonable cause to believe that a university board of trustees is unwilling or unable to provide for objective investigation of credible allegations of fraud or other substantial financial impropriety; and work collaboratively with universities to develop resources that will support sound audit and financial compliance practices.

(3) *Budget and Finance:* The activities of this committee shall include, but not be limited to, the review of annual operating budget guidelines and legislative budget requests, university operating budgets, annual financial statements, tuition differential proposals, new fees, increases to existing fees, flexible tuition policies, select regulations and other budgetary or financial issues that may arise.

(4) *Facilities:* The activities of this committee shall include, but not be limited to, the approval of the annual system-wide Fixed Capital Outlay Legislative Budget Request, concurrency requests and applicable regulations; the issuance of debt; the facilitation of the Public Education Capital Outlay and Alec P. Courtelis Facility Enhancement Challenge Grant project lists; and monitoring of any financial or facility-related matters which may occur.

(5) *Health Initiatives Committee:* The activities of this committee shall include, but not be limited to, providing leadership for the development of system-level policy regarding health initiatives. The Committee is responsible for all issues associated with medical education in the System including evaluation of the opportunities and challenges for the System's medical schools, especially relating to the development of a strategic plan for advancing the quality and coordination

of health initiatives across the System.

(56) *Legislative Affairs*: The activities of this committee shall include, but not be limited to, the development and implementation of strategies for advocacy of the Board's legislative agenda to the Legislature, Governor, and appropriate constituent groups. The committee is also responsible for coordination of the involvement of other Board members and external stakeholders.

(67) *Strategic Planning*: The activities of this committee shall include, but not be limited to, providing leadership for the development of the System Strategic Plan and the subsequent monitoring of progress toward System goals; the review and approval of institutional strategic plans; the review of University Work Plans; the review and approval of the System Annual Reports; and select regulations and issues regarding System structure and other topics related to strategic planning and performance monitoring.

(78) *Trustee Nominating and Development*: The activities of this committee shall include, but not be limited to, the review and recommendation of applicants to serve as trustees on the university boards of trustees. The committee is also responsible for enhancing interaction and communication between members of the Board of Governors and members of the boards of trustees.

(89) *Tuition Appeals*: This committee, consisting of the Chair of the Board and the Chair of each Board committee, shall hear all university appeals associated with the Board's denial of a university's tuition differential, new fee, or flexible tuition proposal.

ARTICLE VII. CONFLICT OF INTEREST

Members of the Board shall adhere to the provisions of the Code of Ethics for Public Officers in Chapter 112, Part III, Florida Statutes, and Board of Governors Regulation 1.006.

ARTICLE VIII. AMENDMENT OR SUSPENSION OF PROCEDURES

Section A. Amendments

The Board's Operating Procedures may be amended or repealed by a two-thirds vote of the members present at any regular meeting, provided there is a quorum and that such proposed amendment or repeal has been publicly noticed prior to the meeting at which the proposed action is to be taken.

Section B. Suspension of Operating Procedures

Any provision of the Board's Operating Procedures may be suspended by a two-thirds vote of the members present in considering any matter to come before the Board, provided there is a quorum.

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

September 12, 2013

SUBJECT: Amended Regulation 18.002, Notice and Protest Procedures for Protest Proceedings Relating to University Procurements

PROPOSED BOARD ACTION

Approve Amended Regulation 18.002.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

The proposed revision to Board Regulation 18.002, which establishes the notice and protest procedures for protests related to university procurements, is a substantial rewording of the current regulation in order to provide a more robust set of procedures that will apply to all university procurement processes for the purchase of goods, services, leases, and construction-related competitive solicitations. The proposed language was developed in conjunction with university attorneys and has been reviewed by university purchasing officials.

The revised regulation adds definitions, establishes timelines for initiating and proceeding through a protest, notice and protest bond requirements, criteria for the content of a protest petition, a provision for informal resolution, a summary proceeding, a quasi-judicial hearing, intervention by substantially affected parties, and appellate review.

Pursuant to the Board of Governors Regulation Development Procedure, Regulation 18.002 was posted on the Board's Web site for public comment after consideration of the proposed regulation by the Board at its meeting on June 20, 2013. The comment period has expired with no public comments submitted.

Supporting Documentation Included: Proposed Regulation 18.002

Facilitators/Presenters: Vikki Shirley

BOG 18.002 Notice and Protest Procedures for Protests Related to a University's Contract Procurement Process.

(1) Purpose. The procedures set forth in this Regulation shall apply to protests that arise from all university contract procurement processes for the purchase of goods, services, leases and for construction-related competitive solicitations, and shall be the exclusive set of procedures applicable to all such protests.

(2) Definitions.

- (a) Adversely affected- where the university decision or intended decision will cause immediate injury in fact to the Protestor and the injury is of the type that the pertinent law or regulation is designed to protect.
- (b) Days- calendar days.
- (c) Decision or intended decision- the Specifications; the rejection of a response or all responses to a competitive solicitation; the intent to award a contract pursuant to a competitive solicitation as indicated by a posted written notice; a sponsored research exemption; or a determination that a specified procurement can be made only from a sole source.
- (d) Electronic posting- posting on the university's designated website.
- (e) Filing- when filing documents or written materials with:
 - (i) the Issuing Office, the filing is the delivery of the original of the document or written materials at the Issuing Office. Filing the Notice of Intent to Protest or the Formal Protest via email or facsimile is not permitted. The time allowed for filing any documents or written material is not extended by the mailing of such.
 - (ii) the President, the President's Designee or the Presiding Officer, filing is the delivery of the documents or written material to the President, President's Designee or Presiding Officer via email or in person at a hearing.
- (f) Formal Protest- the formal written complaint that complies with the requirements of Section (6) of this regulation.
- (g) Issuing Office- the office that issued the solicitation, or if a solicitation has not been issued, the office that made the decision or intended decision that is being protested.
- (h) Legal holidays- those days designated as holidays in Section 110.117, Florida Statutes, and those days- other than Saturdays and Sundays- when the university is officially closed.
- (i) Notice of Intent to Protest- a short and plain written statement that complies with the requirements of Section (5) of this regulation.
- (j) Potential Protestor- any actual or prospective bidder or offeror, person, or firm with standing to protest the decision or intended decision.
- (k) President- means the presiding president of the university.

- (l) President's Designee - the person selected by the President to perform a specific delegated function on behalf of the President under this regulation.
- (m) President/President's Designee - means the presiding president of the university; however, if the presiding president appoints a designee, shall mean the presiding president's designee only.
- (n) Presiding Officer- the Quasi-Judicial Officer or the University Official handling the protest proceeding.
- (o) Protest proceeding- either a summary proceeding involving a University Official or a quasi-judicial hearing involving a Quasi-Judicial Officer.
- (p) Protestor- any actual or prospective qualified bidder or offeror, or person or firm that is adversely affected and has standing who timely files a Notice of Intent to Protest and also timely files a Formal Protest.
- (q) Quasi-Judicial Officer- the designated presiding official (may be an Administrative Law Judge or a qualified attorney with a minimum of five years' experience practicing law) in a protest proceeding where there are disputed issues of material fact.
- (r) Serve/Service- sending a copy of the information to the parties via email communication at the email addresses of record.
- (s) Specification- the contents of the competitive solicitation or any addenda thereto; the approval of a sole source procurement; or other solicitation documents as permitted by applicable law or regulation.
- (t) Timely filed- actual receipt of documentation or written material by the Issuing Office, the President, the President's Designee, or the Presiding Officer on or before the deadline.
- (u) University Official- the person appointed by the President to conduct a summary proceeding.

(3) Notice of Decision or Intended Decision. The university shall provide a notice of decision or intended decision by electronic posting. The notice shall contain the following statement: "Failure to timely file a protest or failure to timely deliver the required bond or other security in accordance with the Board of Governors' Regulations 18.002 and 18.003 shall constitute a waiver of protest proceedings."

(4) Initiating a Protest. If a Potential Protestor desires to protest a decision or intended decision of a university, the Potential Protestor must timely file a Notice of Intent to Protest, a Formal Protest, and the required Solicitation Protest Bond prescribed by Board of Governors Regulation 18.003 with the Issuing Office.

(5) Notice of Intent to Protest.

(a) Timely Filing of a Notice of Intent to Protest.

(i) Protesting a Specification.

If the Potential Protestor is protesting a Specification, the Potential Protestor must timely file a Notice of Intent to Protest with the Issuing Office within 72

hours of the university's electronic posting of the Specification that is being protested. A Potential Protestor's failure to timely file a Notice of Intent to Protest within 72 hours of the posting of the Specification shall constitute a waiver of the right to protest proceedings related to that Specification.

(ii) Protesting any Other Decisions or Intended Decisions.

If a Potential Protestor is protesting any decision or intended decision other than a Specification, the Potential Protestor must timely file a Notice of Intent to Protest such decision or intended decision with the Issuing Office within 72 hours of the university's posting of the notice of decision or intended decision that is being protested. A Potential Protestor's failure to timely file a Notice of Intent to Protest within 72 hours of the university's posting of the notice of decision or intended decision being protested shall constitute a waiver of the right to protest proceedings related to that decision or intended decision.

(b) Filing Period for the Notice of Intent to Protest.

The 72-hour period for filing the Notice of Intent to Protest regarding any decision or intended decision begins upon the electronic posting of the decision or intended decision. If the end of the 72-hour period falls on a Saturday, Sunday, or legal holiday, the deadline for filing the Notice of Intent to Protest shall be the next business day. A Notice of Intent to Protest may not be filed before the 72-hour period begins.

(c) Content of the Notice of Intent to Protest.

The Notice of Intent to Protest must be addressed to the Issuing Office; must identify the Potential Protestor and must provide the Protestor's/Protestor's counsel or representative's address, phone number and email address; must state the name and address of the university whose action is being protested; must identify the solicitation by number and title, or if the intended protest is not related to a competitive solicitation, must provide other language that will enable the university to identify the decision or intended decision being protested; and must state that the Potential Protestor intends to protest the decision or intended decision.

(6) Formal Protest and Solicitation Protest Bond.

(a) Timely Filing of a Formal Protest and Solicitation Protest Bond.

The Potential Protestor must timely file a Formal Protest with the Issuing Office within ten (10) days after the date the Notice of Intent to Protest was filed. In addition, the Potential Protestor must timely file the required Solicitation Protest Bond with the Issuing Office within ten (10) days after the date the Notice of Intent to Protest was filed. The failure of the Potential Protestor to timely file the Formal Protest or to timely file the Solicitation Protest Bond shall constitute a waiver of the Potential Protestor's right to protest proceedings and/or the denial and dismissal of the Potential Protestor's protest.

(b) Content of the Formal Protest.

The Formal Protest must state with particularity the facts and law upon which the protest is based. Only actual or prospective bidders or offerors who would be adversely affected by the university's proposed action have standing to protest the award or intent to award a contract through competitive solicitation. The Formal Protest must contain the following:

- (i) The name of the Protestor and the address, telephone number and email address of the Protestor/Protestor's counsel or representative. The email address provided will be the email address used by the Issuing Office, the President, the President's Designee, the Presiding Officer, and the other parties for serving the Protestor with notice, documents and other materials related to the protest.
- (ii) The identification of the university and competitive solicitation involved, if no competitive solicitation is involved, identification of the action being protested;
- (iii) A statement of when and how the Protestor received notice of the decision or intended decision that is being protested;
- (iv) A concise statement of the facts, including the specific facts the Protestor contends warrant reversal or modification of the university's decision or intended decision;
- (v) A statement of all disputed issues of material fact, or if there are none, the Formal Protest must indicate so;
- (vi) A statement of the specific regulations or laws that the Protestor contends require reversal or modification of the decision or intended decision, including an explanation of how the alleged facts relate to the specific regulations or statutes;
- (vii) A statement of all information establishing that the Protestor is an interested party for the purpose of filing a protest, and how the Protestor would be adversely affected by the university's proposed action;
- (viii) A statement of the relief sought by the Protestor, stating precisely the action the Protestor wishes the University to take with respect to the protest; and
- (ix) A copy of any documents or materials referenced or incorporated into the Formal Protest.

(7) Impact on Procurement Process.

- (i) Upon receipt of the Formal Protest by the Issuing Office, the Issuing Office will stop the solicitation or contract award process until the subject of the protest is resolved, unless the President sets forth in writing particular facts and circumstances which require the continuance of the solicitation or contract award process without delay in order to avoid an immediate and serious danger to the public health, safety or welfare.

(ii) The President/President's Designee may, in response to a Protest, terminate the contract procurement process, terminate the solicitation process, and/or reject all bids. If any such action is taken, the Protest shall be automatically dismissed, and the university may, if desired, reinstate the contract procurement process.

(8) University's Response to a Formal Protest. The university will file a notice with the Issuing Office of the name, phone number and email address for the attorney representing the university in the protest; the email address provided will be the email address used by the Issuing Office, the President, the President's Designee, the Presiding Officer, and the other parties for serving the university with notice, and documents and material related to the protest. The university may also file a written response to the Formal Protest with the Issuing Office within seven (7) days after the date the Formal Protest is filed.

(9) Right of Counsel. A party participating in the protest or appearing in a protest proceeding has the right, at the party's own expense, to be represented by counsel or by a qualified representative.

(10) Resolution by Mutual Agreement.

(a) Informal Discussions.

Following the timely filing of a Formal Protest and Solicitation Protest Bond, the university may hold informal discussions with the Protestor to resolve the protest by mutual agreement. Such discussions, if made available, will take place within seven (7) days, of the filing of the Formal Protest. The President/President's Designee has the authority to settle or resolve protests.

(b) Time Told.

If informal discussions are scheduled, the time requirements related to this regulation are tolled for the period of time from the date the Formal Protest is filed until the date the last informal discussion is scheduled for or held.

(c) Settlement Agreement.

Unless prevented by law, if the parties reach a mutual agreement and a term in the settlement agreement conflicts with this regulation, the term in the settlement agreement will control.

(d) Failure of Parties to Resolve by Mutual Agreement.

If informal discussions are not held, or the informal discussions do not result in a mutual agreement between the parties, the protest shall proceed to either a summary proceeding or a quasi-judicial hearing, as appropriate.

(11) Determination of Appropriate Proceeding. When there is no resolution by mutual agreement, the President/President's Designee shall appoint a University Official, and the Initiating Office will forward all material filed by the parties to the University Official. The University Official will review the material filed by the parties that would

be admissible in evidence to determine whether there are any disputed issues of material fact. If the protest contains no disputed issues of material fact, a summary proceeding is appropriate. If the protest contains disputed issues of material fact, a quasi-judicial hearing is appropriate.

(12) Summary Proceeding.

If the protest contains no disputed issues of material fact, the University Official shall conduct a summary proceeding. The summary proceeding will be conducted within thirty (30) days after the date the Formal Protest was filed.

(a) Notice of Proceeding.

The University Official shall serve written notice on all parties, such notice will allow the parties at least seven (7) days from the date of the notice to file with the University Official any documents, memoranda of law, or other written material (collectively referred to as "written material") in support of or in opposition to the university's action or refusal to act and to serve the other parties with a copy of the same. At the end of the seven (7) days, the University Official shall then serve a second notice to the parties stating that the parties have seven (7) days to file with the University Official and to serve the other parties with their written responses to the written material filed by the other parties.

(b) Informal Hearing.

The University Official may, in the University Official's sole discretion, schedule an informal hearing on the matter for the purpose of taking oral evidence or argument. If the University Official schedules an informal hearing, the University Official shall serve the parties with written notice at least fourteen (14) days prior to the hearing, setting forth the place, date, and time of the hearing.

(c) University Official's Recommended Order.

(i) The University Official will issue a Recommended Order to the President on whether the university's proposed action is contrary to the applicable statutes, regulations, or policies governing the university, or to the Specifications. The University Official's Recommended Order shall take into consideration only those documents and written materials filed by the parties, and if an informal hearing is held, information obtained as a result of the informal hearing.

(ii) The University Official's recommended order shall be issued to the President within fifty (50) days after date the Formal Protest was filed. The University Official shall serve copies of the Recommended Order, along with the date the Recommended Order was issued, to the parties immediately after issuing the Recommended Order to the President.

(iii) The University Official shall also submit the recording of the informal hearing, if one was held, and all documents and written material filed in the matter to the President when issuing the Recommended Order.

(d) Exceptions to the University Official's Recommended Order.

The parties may file written exceptions to the Recommended Order. The Parties must file any exceptions to the Recommended Order with the President within seven (7) days after the date the Recommended Order was issued.

(e) The Final Order.

The President shall enter a Final Order within twenty-one (21) days after the date the Recommended Order was issued. In deciding whether to follow or depart from the University Official's Recommended Order, the President may consider the written materials and exceptions filed by the parties, and the recording of the informal hearing, if any. The President's Final Order is the final decision of the University.

(f) Point of Entry.

Judicial review of the university's final decision shall be in accordance with Florida Rule of Appellate Procedure 9.190(b)(3), applicable to review of quasi-judicial decisions of an administrative body not subject to the Administrative Procedure Act. A request for review may be made by filing a petition for certiorari review with the appropriate circuit court within thirty (30) days after the date of the university's final decision. *Failure to seek timely review shall constitute a waiver of the right to appeal the university's final decision.*

(13) Quasi-Judicial Hearing.

If the Formal Protest contains issues of material fact, the President/President's Designee shall refer the Formal Protest to a Quasi-Judicial Officer for a quasi-judicial hearing. The hearing shall be conducted within forty (40) days after the date the Formal Protest was filed.

(a) Appointment of Quasi-Judicial Officer.

Within seven (7) days after the date the Formal Petition was filed, the President/President's Designee shall appoint a Quasi-Judicial Officer or forward a request for hearing and such other documents, laws and regulations as may be required by the Florida Department of Administrative Hearings to the Department, and for assignment of an Administrative Law Judge to conduct a quasi-judicial hearing ("hearing").

(b) Notice of Hearing.

(i) Within seven (7) days after being appointed, the Quasi-Judicial Officer shall issue a Notice of Hearing, stating the time, date and location for the parties to present evidence and argument on the issues under consideration. The Quasi-Judicial Officer shall set a time and place for all hearings and shall serve written notice on all the parties.

(ii) The Quasi-Judicial Officer shall give no less than 14 days' notice of the hearing on the merits of the protest, unless otherwise agreed by the parties.

(c) University Statement of Actions.

Within seven (7) days after the appointment of the Quasi-Judicial Officer, the university shall file a written statement to the Quasi-Judicial Officer stating the actions (proposed actions, actions already taken, or refusal to take action

- are referred to as “actions”) of the university, and a summary of the factual, legal, and policy grounds for such actions. The university shall immediately serve a copy of the Statement of Actions on the other parties.
- (d) Protestor’s Response to University Statement of Actions.
Within seven (7) days after the university provides the University Statement of Actions to the Quasi-Judicial Officer, the Protestor may file a written response to such statement with the Quasi-Judicial Officer. The Protestor shall immediately serve a copy of the Protestor’s Response to the University’s Statement of Actions on the other parties.
- (e) Discovery.
After the assignment of the Quasi-Judicial Officer, the parties may obtain discovery through the means and manner provided in the Florida Rules of Civil Procedure 1.280 through 1.400. The Quasi-Judicial Officer may issue appropriate orders to effectuate the purposes of discovery and to prevent delay.
- (i) Each party must serve a list of evidence to the other parties at least seven (7) days prior to the first day of the hearing, along with a general description of how the party intends to use the evidence in the hearing.
- (ii) Each party must file a witness list with the Quasi-Judicial Officer and serve the same on the other parties at least seven (7) days prior to the first day of the hearing. The parties must include a general description of how the party intends to use each witness in the hearing with the witness list.
- (f) De Novo Proceeding.
The Quasi-Judicial Officer shall conduct a de novo proceeding to determine whether the university’s decision or intended decision is contrary to the statutes, regulations, or policies governing the university, or contrary to the Specifications. The standard of proof for the proceedings shall be whether the proposed university action was clearly erroneous, contrary to competition, arbitrary, or capricious. However, if the protest is regarding the university’s decision to reject all responses to a competitive solicitation, the standard of review shall be whether the university’s intended action is illegal, arbitrary, dishonest or fraudulent.
- (g) Burden of Persuasion.
The burden of proof rests with the party protesting the university action.
- (h) Conduct of Hearing.
All parties shall have an opportunity to: present evidence; to respond to all issues involved; to conduct cross-examination and submit rebuttal evidence; and to submit proposed findings of fact and proposed orders.
- (i) The hearing shall be conducted in conformity with the Florida Rules of Civil Procedure and the Florida Rules of Evidence applicable to civil proceedings unless specifically contradicted by this regulation or otherwise agreed by the parties.

- (ii) Each party shall have a minimum of fifteen (15) minutes to argue its position. The Protestor shall present its argument first and have the opportunity for rebuttal. At the Quasi-Judicial Officer's discretion, the university may have the opportunity for surrebuttal.
- (iii) The Quasi-Judicial Officer has the right to question each party and any witnesses.
- (i) Recommended Order.
The Quasi-Judicial Officer may request that the parties submit proposed findings of fact, conclusions of law, orders and memoranda on the issues within a time designated by the Quasi-Judicial Officer. No later than thirty (30) days after receipt of the hearing transcript, the Quasi-Judicial Officer shall issue a written Recommended Order to the President, and serve a copy on each of the parties.
- (j) Preliminary Order and Exceptions to the Preliminary Order.
Within fourteen (14) days after the date the Recommended Order was issued, the President shall issue a Preliminary Order and serve the parties with a notice of such order. If the Protestor takes exception to the Preliminary Order, the Protestor must timely file its written exceptions with the President within fourteen (14) days after the date the Preliminary Order was issued. The Preliminary Order shall provide, "This Preliminary Order is the Final Order unless the Protestor files written exceptions to the Preliminary Order with the President no later than 14 days after the date this Preliminary Order is issued."
- (k) Final Order.
 - (i) If no written exceptions are timely filed, the Preliminary Order is the Final Order.
 - (ii) If the Protestor timely files written exceptions, then within fourteen (14) days after the end of the 14 day period for filing exceptions to the Preliminary Order, the President will review the Preliminary Order and the timely filed exceptions and will render a Final Order.
 - (iii) The President's Final Order is the final decision of the University.
- (l) Point of Entry. Judicial review of the University's final decision shall be in accordance with Florida Rules of Appellate Procedure Rule 9.190(b)(3), applicable to review of quasi-judicial decisions of an administrative body not subject to the Administrative Procedure Act. A request for review may be made by filing a petition for certiorari review with the appropriate circuit court within thirty (30) days after the university's final decision. *Failure to seek timely review shall constitute a waiver of the right to appeal the university's final decision.*

(14) **Computation of Time.** In computing any period of time under this regulation or by order of a Presiding Officer, the day of the act from which the period of time begins to run shall not be included. The last day of the period shall be included unless it is a

Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next day which is not a Saturday, Sunday or legal holiday. When the period of time allowed is less than 7 days, intermediate Saturdays, Sundays, and legal holidays shall be excluded in the computation. Notwithstanding the above, this Section does not apply when computing the time period for filing the Notice of Intent to Protest as it is computed in accordance with Section (5)(b) of this regulation.

(15) **Conflict.** Following appointment of the University Official or the Quasi-Judicial Officer as the Presiding Officer of a protest proceeding, the attorney representing the university in the protest will not serve as legal advisor to the Presiding Officer until the protest proceedings are over (to include the period of time in which the final decision of the university can be appealed).

(16) **Intervenors.** Persons other than the original parties to a pending proceeding whose substantial interest will be affected by the proceeding and who desire to become parties may petition the Presiding Officer for leave to intervene. Except for good cause shown, petitions for leave to intervene must be filed with the Presiding Officer no later than 20 days after the date the Formal Protest was filed. The petition shall include allegations sufficient to demonstrate that the intervenor is entitled to participate in the proceeding as a matter of constitutional or statutory right or pursuant to a Board of Governors' or university's rule or regulation, or that the substantial interests of the intervenor are subject to determination or will be affected through the proceeding. The petition shall also include the email address of the intervenor/intervenor's counsel or representative; the email address provided will be the email address used by the President, the President's Designee, the Presiding Officer, and the other parties for serving the intervenor with notice, documents and materials related to the protest. If time permits, the parties may, within seven (7) days after service of the intervenor's petition, file a response in opposition to the petition with the Presiding Officer and serve the same on the other parties. The Presiding Officer may impose terms and conditions on the intervenor to limit prejudice to other parties.

(17) **Presiding Officer Orders.** The Presiding Officer may issue any orders necessary to effectuate discovery, to prevent delay, and to promote the just, speedy, and inexpensive determination of all aspects of the protest.

(18) **Motions.** All requests for relief shall be by motion. All motions shall be in writing unless made on the record during a hearing and shall fully state the action requested and the grounds relied upon. The moving party shall file the motion with the Presiding Officer and serve a copy on the other parties. When time allows, the other parties may, within seven (7) days after service of a written motion, file a response in opposition and serve the same on the other parties. Written motions will normally be disposed of after the response period has expired based on the motion, together with any supporting or opposing memoranda. The Presiding Officer shall conduct proceedings and enter such

orders as are deemed necessary to dispose of issues raised by the motion. Motions, other than a motion to dismiss, shall include a statement that the movant has conferred with the other parties of record and shall state whether any party has an objection to the motion. Motions for extension of time shall be filed prior to the expiration of the deadline sought to be extended and shall state good cause for the request.

(19) **Evidence.** In a protest to an invitation to bid or request for proposals procurement, no submissions made after the bid or proposal opening which amend or supplement the bid or proposal shall be considered. In a protest to an invitation to negotiate procurement, no submissions made after the university announces its intent to award a contract, reject all replies, or withdraw the solicitation which amend or supplement the reply shall be considered.

(20) **Extensions or Continuances.** The Presiding Officer may extend the time period for holding the hearing. The Presiding Officer may also grant a continuance of a hearing for good cause shown. Except in cases of emergency, requests for continuance must be made at least seven (7) days prior to the date noticed for the hearing.

(21) **Records.** The university shall accurately and completely preserve all testimony and evidence in the proceeding, and upon the request of any party shall provide a copy of the testimony. The university may charge the cost of duplication to the requesting party. Proceedings shall be recorded by a certified court reporter or by recording instruments.

Any party to a hearing may, at its own expense, provide a certified court reporter if the university does not. The Presiding Officer may provide a certified court reporter. At a hearing reported by a court reporter, any party who wishes a transcript of the testimony shall order the same at its own expense. If a court reporter records the proceedings, the recordation shall become the official transcript.

(22) **Costs and Attorney Fees.** If the Quasi-Judicial Officer determines that the non-prevailing party has participated in the hearing for an improper purpose, the Quasi-Judicial Officer may award attorney's fees and costs to the prevailing party, as appropriate. If the Quasi-Judicial Officer awards the university attorney's fees and/or costs, upon Protestor's payment of such costs, the university shall return the solicitation protest bond to the Protestor. "Improper purpose" means participation in the protest proceeding primarily to harass, cause unnecessary delay, frivolous purpose; needlessly increasing the costs of litigation, licensing, or securing the approval of an activity; or filing a meritless protest.

18.002—Notice and Protest Procedures.

~~(1) Notification.~~

~~—(a) Competitive Solicitation—The university shall provide notice of any information relating to a competitive solicitation by advertising for bids or by distribution of solicitation documents.~~

~~—(b) Contract Award—The university shall provide notice of a decision or intended decision concerning a solicitation, contract award, or exceptional purchase by electronic posting. This notice shall contain the following statement: “Failure to file a protest in accordance with BOC regulation 18.002, or failure to post the bond or other security as required in BOC regulation 18.002, shall constitute a waiver of protest proceedings.”~~

~~(2) Protest.~~

~~—(a) Any qualified offeror who is adversely affected by the university’s decision may file a written notice of intent to protest within 72 hours after university posting of award or intent to award notice. The protesting firm must reduce its complaint to written petition and file it with the president within ten (10) calendar days from registration of the original complaint. If the competitive solicitation documents require the posting of a bond with the protest, the bond shall be included with the protest.~~

~~—(b) Failure to file a notice of protest or the written petition, including posting of the required protest bond, shall constitute a waiver of the right to protest proceedings.~~

~~(3) Upon receipt of the formal written petition filed in accordance with this regulation, the president or designee shall delay the execution of the contract until the protest is resolved by mutual agreement between the parties or by final presidential action, unless the president shall make a finding and declares that such delay would cause serious danger to the public health, safety or welfare.~~

~~(4) Petitions involving disputed issues of material fact shall be referred for a quasi-judicial hearing. The president shall designate an administrative law judge to conduct a hearing in accordance with university procedures. At the conclusion of the hearing, the administrative law judge shall submit a written recommended order to the president.~~

~~The president shall then issue a preliminary order for final action and notify the firm of such order. The preliminary order of the president shall be final, unless the firm under consideration takes exception to such order; in which event, it may file with the president such exceptions within twenty-one (21) days of receipt of notice of the preliminary order. At the end of the period for filing exceptions, the president will review the preliminary order and any exceptions that have been filed, and will render the final order. The decision of the president is final. Appellate review of the final order shall be in accordance with the requirements of Rule 9.190(b) (3), Florida Rules of Appellate Procedure.~~

Authority – Section 7(d), Article IX, Fla. Const.; History – New 3-27-08.

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

September 12, 2013

SUBJECT: Update on the Board of Governors Commission on Florida Higher Education Access and Degree Attainment

PROPOSED BOARD ACTION

For information.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

The Board of Governors Commission on Florida Higher Education Access and Degree Attainment was created by Chair Dean Colson on May 16, 2012 in order to focus on how Florida is currently addressing the statewide need for future degree attainment. Among other questions, the Commission has focused on the following:

- In what high-skill/high-wage areas is Florida currently experiencing a gap between supply (graduates) and employer demand?
- Will there be a need in the near future for additional universities or colleges to meet demand?
- Is the pipeline of college-age students going to be able to produce a sufficient number of college-ready students?
- Should all these new students attend our state universities, or is there a major role to be played by the State's colleges?
- Will the increased demand be evenly distributed around the state or will there be some geographic areas disproportionately impacted?
- Is the Board of Governors 2025 Strategic Plan goal of producing 90,000 baccalaureates an attainable and appropriate number?

The Commission is relying on data to inform its recommendations and consider factors such as employer needs for workers with advanced levels of knowledge and skills; identification of degree programs that responded to those employer needs; existing postsecondary capacity issues; and regional or state-wide factors that could maximize,

leverage, partner, or re-engineer existing resources. The Commission's near-term recommendations are intended to provide direction for:

- Establishing a method and a set of guiding principles to identify gaps in baccalaureate level programs that are in high demand in Florida.
- Expansion of new or existing programs, including eLearning and alternative delivery programs.
- A process to distribute funds from the Legislature that provides incentives for higher education to diminish the high demand area gaps, either by optimizing existing capacity or developing new programs

The long-term result of the Commission's work will hopefully provide a sustainable method and process for a more focused delivery system of higher education to identify gaps in program offerings and alignment with the state's workforce needs.

The following persons serve as members of the Commission:

- Dean Colson - Chair, Board of Governors
- Kathleen Shanahan, member, State Board of Education
- Dr. William L. "Bill" Proctor, Chancellor, Flagler College
- Thomas G. Kuntz, member, Board of Governors
- Wendy Link, member, Board of Governors
- Marshall M. Criser, III, Co-Chair, Higher Education Coordinating Council and Vice Chair, University of Florida Board of Trustees
- Susan Pareigis, President, Florida Council of 100

Vice Chancellor Ignash will provide an update on the work of the Commission.

Supporting Documentation Included:	None
Facilitators/Presenters:	Jan Ignash

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

September 12, 2013

SUBJECT: Public Notice of Intent to Amend the State University System Board of
Governors Debt Management Guidelines

PROPOSED BOARD ACTION

Review proposed amendment of the State University System Board of Governors Debt
Management Guidelines

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

The Facilities Committee, at its March 28, 2013 meeting, discussed the correspondence between the Governor and Chair Colson (original letters dated February 18, 2013 and February 27, 2013 respectively) regarding the inclusion of new measures to enhance evaluation and analysis prior to the approval of debt issuance for university construction projects within the State University System. The Committee directed Board staff to work with university experts to incorporate these concepts into the existing Debt Management Guideline framework.

The proposed revisions incorporate the Governor's language and require universities to include, as a part of the debt package when submitted to the Board for consideration:

- a quantitative metrics review to justify the need for construction,
- a return-on-investment calculation, and
- an assessment of private sector alternatives.

The revisions extend the review request time frame from 60 to 90 days and require submission of periodic reports by September 30th of each year. The proposed language was developed by Board staff and vetted with appropriate university staff. Additional feedback was received from the Division of Bond Finance. No adverse impact has been identified by incorporation of new language into these guidelines.

Although the Guidelines are not a Board regulation, they fall within the Board's regulatory authority, and will follow a similar process to the consideration of amendments to regulations. Thus, these amendments, if approved by the Board today, will be noticed on the Board's website in order to allow time from comments from members of the public or any other interested parties; and will be scheduled for consideration by the full Board in November for final adoption.

Supporting Documentation Included: Information located behind the Facilities Committee Agenda

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

September 12, 2013

SUBJECT: 2014-2015 State University System Fixed Capital Outlay Legislative Budget Request

PROPOSED BOARD ACTION

Review and approve the 2014-2015 SUS Fixed Capital Outlay Legislative Budget Request.

Authorize the Chancellor, State University System of Florida, to make revisions to the 2014-2015 SUS Fixed Capital Outlay Legislative Budget Request.

Approval is recommended by the Chancellor.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

The requested budget provides the State University System of Florida continued capital outlay support and has been prepared in accordance with statutory requirements and guidelines adopted by the Board of Governors on June 20, 2013. All university fixed capital outlay budget requests have been approved by the institutional boards of trustees.

Supporting Documentation:

Information is located behind the Facilities Committee agenda

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

September 12, 2013

SUBJECT: Resolution of the Board of Governors Requesting the Division of Bond Finance of the State Board of Administration of Florida (the "Division of Bond Finance") to issue revenue bonds on behalf of the University of Florida (the "University") to finance construction of a student residence facility on the main campus of the University

PROPOSED BOARD ACTION

Adoption of a resolution approving the issuance of fixed rate, tax-exempt revenue bonds, by the Division of Bond Finance on behalf of the University, in an amount not to exceed \$25,000,000 (the "Bonds") for the purpose of financing the construction of a new student residence facility on the main campus of the University ("the Project").

Staff of the Board of Governors, State University System of Florida, and the Division of Bond Finance, State Board of Administration of Florida, has reviewed this resolution and all supporting documentation. Based upon this review, it appears that the proposed financing is in compliance with Florida Statutes governing the issuance of university debt and the debt management guidelines adopted by the Board of Governors. Accordingly, staff of the Board of Governors recommends adoption of the resolution and authorization of the proposed financing.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Section 1010.62, Florida Statutes; and Florida Board of Governors Debt Management Guidelines

BACKGROUND INFORMATION

The University of Florida has submitted a proposal for financing and construction of a new student residence facility on the main campus of the University, situated south of Reid Hall and adjacent to SW 13th Street. The Project is strategically located next to Reid Hall, which is home of the University Disability Resource Center and College of Education. The proposed project will consist of 255 additional beds, and will feature state-of-the-art ADA compliant features for 35 beds to better accommodate disabled residents. The Project is consistent with the University's Campus Master Plan. The

construction of the proposed residence halls is estimated at a total cost of \$23,398,506, approximately \$3.5 million of which is for the ADA features.

The Project will be financed with a \$1,528,300 cash contribution from the Department of Housing and Residence Education's operations fund and a fixed rate, tax-exempt bond issue (the "Bonds") of approximately \$25,000,000. The Bonds will finance a portion of the cost of the project, fund a debt service reserve account (if necessary) and pay costs of issuance. The bonds will mature twenty (20) years after issuance with level annual debt service payments.

Net housing system revenues will be pledged for the payment of debt service. These revenues are derived primarily from rental income, after deducting operating expenses and amounts required for prior lien obligations (the "Series 1984 Bonds"). The lien of the Bonds on the pledged revenues will be on parity with the University of Florida dormitory revenue bonds currently outstanding in the amount of \$70 million and will be junior and subordinate to the lien of the Series 1984 Bonds. The Series 1984 Bonds are currently outstanding in the principal amount of \$180,000 and will remain outstanding until retired July 1, 2014.

Projections provided by the University indicate that sufficient net revenues will be generated to pay debt service on the Series 1984 Bonds and the outstanding parity bonds.

The University of Florida Board of Trustees, at its September 3, 2013 meeting, will consider approval of the Project and the financing thereof.

Supporting Documentation Included: Information is located behind the Facilities Committee Agenda

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

September 12, 2013

SUBJECT: Public Notice of Intent to Amend Board Regulation 9.005 Naming of Buildings and Facilities

PROPOSED BOARD ACTION

Approve Public Notice of Intent to Amend Board Regulation 9.005 Naming of Buildings and Facilities

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution and Board of Governors Regulation Development Procedures

BACKGROUND INFORMATION

Section 267.062, Florida Statutes, prohibits the naming of any state building, road, bridge, park, recreational complex or other similar facility after any living person with exceptions being granted by university board of trustees, in accordance with regulations adopted by the Board of Governors. Thus, the naming of state university buildings or facilities for individuals or groups who have made significant contributions to the university or State of Florida remains the prerogative and privilege of the university board of trustees, as authorized and previously delegated by the Board of Governors.

The proposed revision incorporates a reference to the recently amended Board of Governors Regulation 8.009 Educational Sites, to better define the applicable locations of the buildings and facilities under naming consideration and redefines the conditions, under which, exceptions will and will not be granted for the naming of buildings and facilities. The proposed language was developed by Board staff and later recommended by university attorneys and finance and facilities personnel. No adverse impact has been identified by adoption of these regulations.

Supporting Documentation Included:	Information is located behind the Facilities Committee Agenda
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**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

September 12, 2013

SUBJECT: Public Notice of Intent to Amend Board of Governors Regulation 14.0025
Action Required Prior to Capital Outlay Appropriation

PROPOSED BOARD ACTION

Approve Public Notice of Intent to Amend Board of Governors Regulation 14.0025
Action Required Prior to Capital Outlay Appropriation

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution and Board of Governors Regulation
Development Procedures

BACKGROUND INFORMATION

The proposed revision renames the regulation to more appropriately describe its contents. Additionally, obsolete references regarding the minor project threshold and Building Fees are removed. The proposed language was developed by Board staff and later recommended by university attorneys and finance and facilities personnel. No adverse impact has been identified by adoption of these regulations.

Supporting Documentation Included:

Information is located behind the
Facilities Committee Agenda

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

September 12, 2013

SUBJECT: Public Notice of Intent to Amend Board of Governors Regulation 14.023
Notice and Protest Procedures

PROPOSED BOARD ACTION

Approve Public Notice of Intent to Amend Board of Governors Regulation 14.023
Notice and Protest Procedures

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution and Board of Governors Regulation
Development Procedures

BACKGROUND INFORMATION

The proposed revision removes previous notification and protest language and identifies Board of Governors Regulation 18.002 Notice and Protest Procedure, as the governing regulation for all competitive solicitations relating to the procurement of goods and services for the construction of university capital improvement projects. The proposed language was developed by Board staff and later recommended by university attorneys and finance and facilities personnel. No adverse impact has been identified by adoption of these regulations.

Supporting Documentation Included:

Information is located behind the
Facilities Committee agenda

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

September 12, 2013

SUBJECT: Public Notice of Intent to Amend Board of Governors Regulation 7.001
Tuition and Associated Fees

PROPOSED BOARD ACTION

Approve public notice of intent to amend Board of Governors Regulation 7.001 Tuition and Associated Fees.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution and Board Regulation Development Procedure

BACKGROUND INFORMATION

This regulation is being amended to clarify the following:

- Eliminates the specific amount charged for undergraduate tuition and references the General Appropriations Act and statutory authority.
- Eliminates the reference to the building fee as it was combined with the capital improvement fee.
- Eliminates the additional charge associated with a college preparatory course. This change is made pursuant to the modification made in Senate Bill 1720 to Section 1009.28, Florida Statute.
- Eliminates the date when a block tuition proposal is to be submitted to the Board. Dates will be established pursuant to the Board's data request system.
- Modifies the date the tuition differential report is due to the legislature. The date was modified in Senate Bill 1514.

These changes have been shared with the universities and comments have been received. Where possible, modifications were made to address university suggestions.

If approved, the amended regulation will be noticed on the Board's website for 30 days with final approval by the Board at the November 21, 2013 meeting.

Supporting Documentation Included: Information located behind the Budget & Finance Committee Agenda

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

September 12, 2013

SUBJECT: Public Notice of Intent to Amend Board of Governors Regulation 7.003
Fees, Fines and Penalties

PROPOSED BOARD ACTION

Approve public notice of intent to amend Board of Governors Regulation 7.003 Fees, Fines and Penalties.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution and Board Regulation Development Procedure

BACKGROUND INFORMATION

This regulation is being amended to clarify the following:

- Changes the date when the Budget & Finance Committee will consider increases to existing fees from January to June.
- Changes the date when the Budget & Finance Committee will consider new fees from March to June.
- Clarifies that the excess hour fee applies to first-time-in-college students.

These changes have been shared with the universities and comments have been received. Where possible, modifications were made to address university suggestions.

If approved, the amended regulation will be noticed on the Board's website for 30 days with final approval by the Board at the November 21, 2013 meeting.

Supporting Documentation Included: Information located behind the Budget & Finance Committee Agenda

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

September 12, 2013

SUBJECT: Public Notice of Intent to Amend Board of Governors Regulation 7.008
Waiver of Tuition and Fees

PROPOSED BOARD ACTION

Approve public notice of intent to amend Board of Governors Regulation 7.008 Waiver of Tuition and Fees.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution and Board Regulation Development Procedure

BACKGROUND INFORMATION

This regulation is being amended to clarify the number of credit hours that may be waived for students classified as homeless.

These changes have been shared with the universities and comments have been received. Where possible, modifications were made to address university suggestions.

If approved, the amended regulation will be noticed on the Board's website for 30 days with final approval by the Board at the November 21, 2013 meeting.

Supporting Documentation Included: Information located behind the Budget & Finance Committee Agenda

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

September 12, 2013

SUBJECT: Public Notice of Intent to Amend Board of Governors Regulation 9.007
State University Operating Budgets

PROPOSED BOARD ACTION

Approve public notice of intent to amend Board of Governors Regulation 9.007 State University Operating Budgets.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution and Board Regulation Development Procedure

BACKGROUND INFORMATION

This regulation is being amended to include the following changes:

- Adds clarifying language that university carry forward funds shall be included in annual expenditure data.
- Adds clarifying language that Education & General funds are to be used for operating activities, unless specifically authorized by law.
- Adds language requiring universities to comply with all applicable federal, state, and local laws when implementing grants, contracts and sponsored research programs.
- Adds language regarding the inclusion of technology fee revenues/expenditures and Board approved fees in the annual operating budget submissions.
- Adds clarifying language that Education & General interest earnings should be used for Education & General operating purposes, unless specifically authorized by law.

These changes have been shared with the universities and comments have been received. Where possible, modifications were made to address university suggestions.

If approved, the amended regulation will be noticed on the Board's website for 30 days with final approval by the Board at the November 21, 2013 meeting.

Supporting Documentation Included: Information located behind the Budget & Finance Committee Agenda

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

September 12, 2013

SUBJECT: Public Notice of Proposed New Board of Governors Regulation 9.014
Collegiate License Plates Revenues

PROPOSED BOARD ACTION

Approve public notice of proposed new Board of Governors Regulation 9.014 Collegiate License Plates Revenues.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board Regulation Development Procedure

BACKGROUND INFORMATION

This regulation is being created to provide guidance to the universities on the use of collegiate license plate revenues, expenditure plans and instructions for notifying the Board of any deviations from the approved expenditure plans.

This regulation has been shared with the universities and comments have been received. Where possible, modifications were made to address university suggestions.

If approved, the regulation will be noticed on the Board's website for 30 days with final approval by the Board at the November 21, 2013 meeting.

Supporting Documentation Included: Information located behind the Budget & Finance Committee Agenda

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

September 12, 2013

SUBJECT: 2013-2014 State University System Operating Budget

PROPOSED BOARD ACTION

Approve the 2013-2014 State University System Operating Budget.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Regulation 9.007

BACKGROUND INFORMATION

Each state university is required to submit a detailed operating plan for each budget entity for the 2013-2014 fiscal year. The State University System (SUS) operating budget consists of five different budget entities; 1) Education and General, 2) Contracts and Grants, 3) Auxiliary Enterprises, 4) Local Funds, and 5) Faculty Practice Plans.

1. The Education and General Budget Entity (E&G) includes the allocation of funds appropriated by the 2013 Legislature, student tuition, and other previously appropriated funds. The E&G budget entity contains resources that provide educational opportunities to citizens through instructional programs; research directed toward solving technical, social, and economic problems facing the state and nation; and public service programs. Universities have flexibility in the development of the E&G operating budget but must report in the traditional SUS categories.
- 2) The Contracts and Grants budget entity supports research and public service through awards from federal, state, and local sources.
- 3) Auxiliary Enterprises is comprised of ancillary support units such as student housing, food service, bookstores, parking services, and computer support.
- 4) The Local Funds entity consists of operating resources for student activities, athletics, concessions, student financial aid, technology fee, Board-approved local fees, and self-insurance programs.

- 5) Finally, the Faculty Practice Plans provide for clinical activities associated with the University of Florida and University of South Florida Health Centers, and the Florida State University, University of Central Florida, and Florida International University Medical Schools.

Each University Board of Trustees has approved an operating budget. The universities have developed their budgets in accordance with Board Regulation 9.007 State University System Operating Budgets. The regulation requires each university to maintain an unencumbered balance in the E&G fund equal to or greater than 5% of the University Board of Trustees approved operating budget. If the unencumbered balance falls below 5%, the University President must provide written notification and explanation.

Detailed operating budget information will be posted to the Board's website.

Supporting Documentation Included: Information located behind the Budget & Finance Committee Agenda

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**
September 12, 2013

SUBJECT: 2013-2014 Board General Office Budget

PROPOSED BOARD ACTION

Approve the 2013-2014 Board General Office Budget and authorize the Chancellor to make changes as necessary to support office functions.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; 2013 General Appropriations Act

BACKGROUND INFORMATION

The Board General Office budget for 2013-2014 totals \$6.6 million and supports 57 authorized positions. The 2013 General Appropriations Act allocates funds by specific category and funding source as follows:

Appropriation Category	Appropriation
Salaries & Benefits - GR	\$4,716,349
Salaries & Benefits - Trust Funds	\$660,753
Other Personal Services - GR	\$49,373
Other Personal Services - Trust Funds	\$20,000
Expenses - GR	\$588,869
Expenses - Trust Funds	\$271,799
Operating Capital Outlay - GR	\$11,782
Operating Capital Outlay - Trust Funds	\$5,950
Contracted Services - GR	\$160,127
Contracted Services - Trust Funds	\$23,000
DMS - HR Services - GR	\$16,271

DMS – HR Services – Trust Funds	\$2,123
Data Processing Services - GR	\$23,911

Each funding source and category has specific restrictions on spending funds from that appropriation. Appropriations are allowed to be transferred between categories via budget transfers filed with the Governor’s Office. These transfers cannot exceed five percent or \$250,000 whichever is greater. Any transfers in excess of this amount must be approved by the Legislature and Governor through an established budget amendment process.

Funding Source:

- General Revenue – appropriations from this source has the least restrictions and can be used for any basic operating expense.
- Trust Funds – appropriations from this source are primarily used to support Board facility staff and expenses.

Appropriation Category:

- Salaries & Benefits – salaries and benefits associated with 57 authorized positions.
- Other Personal Services – these funds are utilized for temporary employment. The Board utilizes university students to supplement basic phone coverage and other office needs.
- Expenses – these funds are utilized for basic operating expenses such as travel, rent, office supplies, or equipment costing less than \$1,000.
- Operating Capital Outlay – these funds are utilized for items costing more than \$1,000, such as computers or furniture.
- Contracted Services – these funds are utilized for any service requiring a contractual agreement.
- DMS – HR Services – these funds are transferred to the Department of Management Services to cover the costs associated with the State’s PeopleFirst System.
- Data Processing Services – these funds are transferred to the Northwest Regional Data Center to pay for data storage services.

Supporting Documentation Included: Information located behind the Budget & Finance Committee Agenda

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

September 12, 2013

SUBJECT: Methodology for the Allocation of \$20 Million in Performance Funding

PROPOSED BOARD ACTION

Consider approval of a methodology for the distribution of \$20 million in performance funding.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Chapter 2013-027 Laws of Florida; 2013 General Appropriations Act

BACKGROUND INFORMATION

The 2013 Legislature passed Senate Bill 1076 which was signed by the Governor on April 22, 2013. Section 61 of the bill requires the Board of Governors to recommend a methodology for allocating performance funding to the Legislature:

By October 31, 2013, the State Board of Education shall recommend to the Legislature a methodology for allocating performance funding for Florida College System institutions, and the Board of Governors shall recommend to the Legislature a methodology for allocating performance funding for State University System institutions, based on the percentage of graduates employed or enrolled in further education, the average wages of employed graduates, and the average cost per graduate.

The 2013 General Appropriations Act includes \$20 million for Performance Based Incentives:

From the general revenue funds in Specific Appropriation 142, \$20,000,000 shall be allocated by the Board of Governors for performance funding by December 31, 2013, based on the percentage of graduates employed or enrolled in further education, the average wages of employed graduates, and the average cost per graduate.

Supporting Documentation Included: Information located behind the Budget & Finance Committee Agenda

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

September 12 2013

SUBJECT: 2014-2015 State University System and Board General Office Legislative Budget Request

PROPOSED BOARD ACTION

Approve the 2014-2015 operating Legislative Budget Request for the State University System and the Board General Office and allow the Chancellor to make technical changes as necessary.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Annually, the Board of Governors must prepare and submit a State University System and a Board General Office Legislative Budget Request (LBR) for state appropriated operating funds. Both budgets must be reviewed and recommendations made on the issues to be included in the 2014-2015 LBR. In accordance with Subsection 216.023(1), Florida Statutes, this LBR is based on an independent judgment of needs and pursuant to the LBR instructions will be presented to the Legislature and Governor on October 15.

State University System (SUS):

Detailed budget request information will be posted to the Board's website.

Board General Office:

The Board General Office requests a continuation budget of \$6.5 million to support 57 positions and associated operating expenses.

The Chancellor recommends approval of the SUS and Board General Office LBRs.

Supporting Documentation Included: Information located behind the Budget & Finance Committee Agenda

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

September 12, 2013

SUBJECT: Public Notice of Intent to Amend Board of Governors Regulation 6.002
Admission of Undergraduate First-Time-in-College, Degree-Seeking
Freshmen

PROPOSED BOARD ACTION

Consider approval of the public notice of intent to amend Board of Governors Regulation 6.002 Admission of Undergraduate First-Time-in-College, Degree-Seeking, Freshmen.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Regulation 6.002 provides statewide minimum admission criteria for undergraduate first-time-in-college, degree-seeking freshmen. Amendments to this regulation include technical changes. The technical changes involve clarifying that starting fall 2014, consideration of ACT test scores in admission decisions must be based on the ACT Plus Writing exam. This provides for equitable treatment between students who have a 3.0 grade point average on a 4.0 scale and for those whose grade average is less than 3.0.

Additionally, a technical change was provided by replacing the foreign language admission credit hour specificity by referencing the ability to achieve the same affect through meeting foreign language competency at the second level. Being allowed to take only the second level course if appropriate meets the current policy standard as foreign language competency builds on itself. If students are able to pass the second level, they should possess the skills of the first.

Following input by the SUS Admission and Registrar's Committee, this regulation was reviewed by the university general counsels, Council of Academic Vice Presidents, Council of Student Affairs, and other state university staff. Pursuant to the regulation procedure adopted by the Board at its meeting on March 23, 2006, the Board is required to provide public notice by publication on its Internet Web site at least 30 days before adoption of the proposed regulation.

Supporting Documentation Included: Amended Regulation 6.002 in Committee
Packet

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

September 12, 2013

SUBJECT: Public Notice of Intent to Amend Board of Governors Regulation 6.004
Admission of Undergraduate, Degree-Seeking Transfer Students

PROPOSED BOARD ACTION

Consider approval of the public notice of intent to amend Board of Governors
Regulation 6.004 Admission of Undergraduate, Degree-Seeking Transfer Students

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Regulation 6.004 provides statewide minimum admission criteria for undergraduate degree-seeking transfer students. Amendments to this regulation include technical changes. The technical changes involve replacing the foreign language admission credit hour specificity by referencing the ability to achieve the same affect through meeting foreign language competency at the second level. Being allowed to take only the second level course if appropriate meets the current policy standard as foreign language competency builds on itself. If students are able to pass the second level, they should possess the skills of the first.

Following input by the SUS Admission and Registrar's Committee, this regulation was reviewed by the university general counsels, Council of Academic Vice Presidents, Council of Student Affairs, and other state university staff. Pursuant to the regulation procedure adopted by the Board at its meeting on March 23, 2006, the Board is required to provide public notice by publication on its Internet Web site at least 30 days before adoption of the proposed regulation.

Supporting Documentation Included: Amended Regulation 6.004 in Committee
Packet

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

September 12, 2013

SUBJECT: Public Notice of Intent to Amend Board of Governors Regulation 6.008
Postsecondary College-Level Preparatory Testing, Placement, and
Instruction for State Universities

PROPOSED BOARD ACTION

Consider approval of the public notice of intent to amend Board of Governors
Regulation 6.008 Postsecondary College-Level Preparatory Testing, Placement, and
Instruction for State Universities

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution

BACKGROUND INFORMATION

Regulation 6.008 provides direction for state universities regarding the further assessment, placement, and instruction of students who fall below college level assessment standards. The proposed amendments provide similar standards as those required by the State Board of Education for Florida College System institutions, thereby providing smooth articulation between institutions.

Amendments reflect changes made to the State Board rule due to 2013 legislative changes to statute. Additionally, admission test cut-scores for placement purposes are modified to match the scores applied to the Florida College System (FCS) institutions. Most universities work with FCS institutions to provide developmental education options. Different scores cause confusion. This amendment does not lower admission standards as admission cut-scores remain the same in Board Regulation 6.002.

Following input by the SUS Admission and Registrar's Committee, this regulation was reviewed by the university general counsels, Council of Academic Vice Presidents, Council of Student Affairs, and other state university staff. Pursuant to the regulation procedure adopted by the Board at its meeting on March 23, 2006, the Board is required to provide public notice by publication on its Internet Web site at least 30 days before adoption of the proposed regulation.

Supporting Documentation Included: Amended Regulation 6.008 in Committee
Packet

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

September 12, 2013

SUBJECT: Proposal for the Wolfsonian-FIU Downtown Center to be a Special Purpose Center at Florida International University

PROPOSED BOARD ACTION

Consider the request by Florida International University for the Wolfsonian-FIU Downtown Center at 100 East Flagler Street, Miami, Florida to be a Special Purpose Center in accordance with Board of Governors Regulation 8.009.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board of Governors Regulation 8.009

BACKGROUND INFORMATION

Wolfsonian-FIU, located in Miami Beach, is a museum, library, and research center currently designated a Special Purpose Center of Florida International University. The museum supports scholarship and develops and disseminates critically acclaimed exhibitions, publications, and educational programs. The recently acquired Wolfsonian-FIU Downtown Center will provide approximately 20,000 square feet of additional space in a business condominium for museum administration and educational purposes and includes a planned gift of approximately 25,000 objects consisting of decorative art, works-on-paper, paintings, sculpture, rare books, and ephemera of the 1885-1945 period collected by Mr. Wolfson since his initial donation of the contents of the Wolfsonian museum to FIU in 1997. The new center will also permit the university to finalize a \$10 million grant agreement with Miami-Dade County under the County's Building Better Communities General Obligation Bond Program.

No full degree programs will be offered at the location and no additional facilities will be needed to support the site. Cost associated with maintaining the facility is projected to be approximately \$200,000 per year, part of which is expected to be from auxiliary funds. The FIU board of trustees approved the Wolfsonian-FIU Downtown Center as a Special Purpose Center on June 5, 2013.

Supporting Documentation Included: FIU Proposal located behind the Academic and Student Affairs Committee Packet

**STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS**

September 12, 2013

SUBJECT: Request to Close Florida Atlantic University Treasure Coast Campus

PROPOSED BOARD ACTION

Consider the request by Florida Atlantic University to close the Treasure Coast Campus located at 500 Northwest California Boulevard, Port St. Lucie, Florida 34986.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Article IX, Section 7, Florida Constitution; Board of Governors Regulation 8.009

BACKGROUND INFORMATION

Florida Atlantic University (FAU) is requesting to close its Treasure Coast Campus in Port St. Lucie due to declining state support and increased competition for a limited pool of students in the area. State funding per student has declined over the past several years and Indian River State College (IRSC) has continued to expand its baccalaureate program offerings at the Treasure Coast Campus location, offering a lower cost option for many degree programs that FAU had been offering.

The FAU Board of Trustees determined in June 2012 that the programs offered at the Treasure Coast Campus could be more efficiently and effectively delivered at the Harbor Branch Oceanographic Institute in Ft. Pierce, the Jupiter campus, the main campus in Boca Raton, or by offering the programs online. The relocation of the academic programs and the teach-out plan for existing students was approved by the Southern Association of Colleges and Schools on March 28, 2013.

In the 2013-2014 General Appropriations Act, the Florida Legislature passed the transfer of the Port St. Lucie facilities from FAU to IRSC and Governor Scott signed it into law on May 20, 2013. At its June 11, 2013 meeting the FAU Board of Trustees approved the transfer of the Port St. Lucie property to IRSC.

Supporting Documentation Included: FAU Proposal located behind the Strategic Planning Committee Packet