

MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
NOMINATION AND GOVERNANCE COMMITTEE
GRAND BALLROOM
H. MANNING EFFERSON STUDENT UNION BUILDING
UNIVERSITY OF SOUTH FLORIDA
TAMPA, FLORIDA
JUNE 22, 2017

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

Chair Kuntz convened the meeting of the Nomination and Governance Committee of the Board of Governors on June 22, 2017, at 10:15 a.m., with the following members present: Wayne Huizenga, Ned Lautenbach, Alan Levine, and Norman Tripp.

1. Approval of Minutes of Meeting held March 30, 2017

Mr. Tripp moved approval of the Minutes of the meeting held March 30, 2017, as presented. Mr. Levine seconded the motion, and members of the Committee concurred.

2. Public Notice of Intent to Amend the Board of Governors Regulations 1.001 and 1.002 relating to University Board of Trustees Powers and Duties and Presidential Search and Selection

Chair Kuntz asked Ms. Vikki Shirley to provide an explanation of the proposed changes to the Regulations 1.001 and 1.002. Ms. Shirley advised that in March Chair Kuntz requested that Chancellor Marshall Criser and she work on proposed amendments to Board regulations regarding presidential contract renewals and presidential contracts in the context of presidential search process and voting requirements in the context of the presidential search process. Ms. Shirley and Chancellor Criser worked on those amendments and shared them with the Nomination and Governance Committee, the board of trustees chairs, and with university representatives including the provosts and the general counsels. The amendments in the packet are the culmination of that effort.

The first regulation is 1.001 and that relates to the powers and duties of the boards of trustees. The amendments would do the following:

- Require a copy of the proposed employment contract for a presidential candidate to be submitted to the Board of Governors for the confirmation process;

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- Removes the supermajority vote requirement for denying confirmation of a presidential candidate; and
- Codifies existing practice for renewals of presidential employment contracts to come before the Board for confirmation and to be limited to one-year terms.

The second regulation is 1.002 relating to the Presidential Search and Selection. The amendments would do the following:

- Clarify that only a majority vote of the search committee is required to advance qualified presidential applicants to the board of trustees;
- Deletes the reference to providing a “detailed term sheet” in lieu of a copy of the draft employment contract;
- Requires a copy of the proposed employment contract for a presidential candidate to be submitted to the Board of Governors for the confirmation process;
- Codifies existing practice for the employment contract to be executed after confirmation by the Board of Governors;
- Clarifies the responsibilities of the Board of Governors’ representative sitting on the search committee;
- Requires the Chair of the BOT to describe the material terms of the proposed employment contract; and
- Removes the supermajority vote requirement for denying confirmation of a presidential candidate.

Ms. Shirley advised that what is being brought to the board today is for approval to publish these regulations on the website for public comment and they would then be brought back to the Board at the August meeting for final consideration.

Chair Kuntz asked for questions or comments regarding the proposed amendments to the regulations. Mr. Alan Levine had questions regarding section 5c. He stated he was in agreement with the section but expressed concerns over using the word “shall” rather than the using word “may”. He stated by saying “shall” it ties the hands of the Board of Governors rather than perhaps using “may” that gives flexibility.

Mr. Ned Lautenbach stated he thought the process works fine and does not have any concerns.

Ms. Wendy Link stated she agreed with Mr. Levine. She stated that “may” allows flexibility and encouraged the committee to consider Mr. Levine’s comments.

Mr. Sydney Kitson stated he prefers the word “shall” and if the Board wants to make changes they can do that. He stated he thought what was written was appropriate.

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Mr. Huizenga stated that through his work with seven different companies, those companies never had employment contracts. He noted he is happy to comprise at a year employment contract. He asked if “shall” means the board may never make an exception.

Chair Kuntz advised to keep in mind that the initial term is not one year and that can be a longer term, this is referring to renewals. In addition, he advised the board may always make exceptions to any of the board rules, however, the board tends not to make a lot of exceptions.

Mr. Huizenga stated he was in favor of using the word “shall”.

Mr. Morton asked for a point of clarification regarding when we seek approval by the Board is it a majority of the Board, or a majority of the members present.

Ms. Shirley advised that it is a majority of the 17 Board of Governors members.

Mr. Tripp moved approval of public notice of intent to amend Board of Governors Regulations 1.001 and 1.002 relating to University Board of Trustees Powers and Duties and Presidential Search and Selection and Mr. Lautenbach seconded the motion. The following members voted in favor of the motion: Chair Kuntz, Mr. Lautenbach, Mr. Huizenga and Mr. Tripp. The following member voted in opposition of the motion: Mr. Levine. The motion was approved by a vote of 4 Y, 1 N.

3. Update on Status of University Boards of Trustees Review of Presidential Delegations of Authority

Chair Kuntz requested that Mr. Lautenbach provide an update on the status of University Boards of Trustees review of presidential delegations of authority.

Mr. Lautenbach advised that Chair Kuntz asked him to form a workgroup of university trustees to look at best practices regarding delegations of board of trustees’ authority to university presidents. He stated good governance practices require a periodic look at the governance structure of an organization. This ensures that appropriate delegations are in place and that they are clearly communicated across the organization.

He advised that he formed a workgroup of trustee chairs and a few vice chairs last fall. They started the process by having their legal team research best practices in general and then look more specifically at how delegations are handled in other university systems. They also looked at presidential delegations at individual universities and at the work that was being done by the University of Florida Governance Committee on this same issue. Their work in this area was instrumental in our review and Mr. Lautenbach thanked Vice Chair Hosseini for the work done by his committee at UF.

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Vice Chair Hosseini elaborated on the process that took place and the changes that they decided to make at UF. He explained that they communicated the changes to the DSOs and set a deadline of the end of this year for all of their DSOs to update their bylaws to reflect the changes made. He advised that under certain conditions the DSOs must come to the board of trustees to make changes. He stated that their president and chair were involved throughout the process.

He also thanked the University of North Florida and University of South Florida Boards of Trustees for their thoughtful input because, like UF, both of those boards were working concurrently with their workgroup to take a close look at the authority delegated to their respective presidents. The work done by those boards also informed the thinking of the workgroup.

He stated that the trustee workgroup met several times by conference call and it became clear that there wasn't a one size fits all approach for the System. This was especially true in areas like procurement, leasing, and settlement authority where different monetary or term thresholds were appropriate based upon the size and complexity of a university.

He stated that since their last workgroup call, five university boards have completed their review and adopted updated delegations of authority. The other seven were in the process of reviewing the delegations or are close to taking action on adopting updated delegations. Based upon the responses they received, it appears that all of the boards will have completed this process and updated their delegations by the end of 2017.

He stated that anytime we can work together as a System only serves to make the System stronger.

Mr. Levine thanked Mr. Lautenbach for his work to make sure the universities have robust delegations of authority. He stated this may be one of the highest risk areas that each of the universities has. He noted he was surprised this was not already in place and knows it has been a lot of work to develop.

Vice Chair Hosseini thanked the Board of Governors staff, especially the General Counsel, for helping every step of the way during their process.

4. Recommendations of Candidates to fill Trustee Vacancies

Chair Kuntz said the Committee would be taking up a trustee vacancy at the University of Central Florida. He noted Mr. Huizenga, Mr. Tripp and himself were responsible for vetting the applicants.

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Mr. Tripp recommended the appointment of Mr. John Lord subject to attending an orientation and confirmation by the Florida Senate. Mr. Tripp stated that Mr. Lord is retired and previously served as Orlando Area Market President and Small Business and Premier Banking Executive for the State of Florida with the Bank of America. He was a member of the Board of Directors of the Nemours Foundation, Board Member, Dornoch Sutherland Assurance Ltd., Cruden Bay Risk Retention Group, Board Member, Pediatric Medical Services of Florida Inc., Former Chairman, Orange County Industrial Authority; Former Chairman, Mid-Florida Industrial Development Commission; Former Chairman, Community Foundation of Central Florida; Former Chairman, Florida Citrus Sports Foundation; Former Chairman, Heart of Florida United Way; Former Chairman, Valencia Community College Board of Trustees; Former Treasurer, Orange County Public School Foundation Former Vice President, Orange County Civic Improvement Corporation Former Board Member, Edyth Bush Charitable Foundation.

Chair Kuntz stated that he has known Mr. Lord for many years. He stated this previous service on various boards is a testament to his commitment to giving back to central Florida.

Mr. Huizenga seconded the motion, and members of the Committee concurred unanimously.

Chair Kuntz said the Committee would be taking up a trustee vacancy at the University of West Florida. He noted Mr. Lautenbach, Mr. Tripp and Mr. Levine were responsible for vetting the applicants.

Mr. Levine shared that Ms. Adrienne Collins is an alumni of UWF and currently serves as the Power Delivery Vice President, Gulf Power Company. She serves on the North American Energy Standards Board Wholesale Quadrant Electric Board, Ronald McDonald House of NWFL Board. She is an alumni of Leadership Pensacola and a member of the Society of Women Engineers. Mr. Levine noted she is very tuned in with the Board metrics and the opportunities at UWF.

Mr. Lautenbach noted he also spoke with Ms. Collins and thought she would be a great addition to the UWF Board of Trustees.

Mr. Tripp noted he also spoke with Ms. Collins. He shared that she began at UWF and matriculated to UF to receive her engineering degree.

President Saunders noted that program sunset and UWF now has their own engineering program.

Mr. Lautenbach recommended the appointment of Ms. Adrienne Collins subject to attending an orientation and confirmation by the Florida Senate.

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Mr. Tripp seconded the motion, and members of the Committee concurred unanimously.

5. Concluding Remarks and Adjournment

Having no further business, the meeting was adjourned at 10:32 p.m. a.m., June 22, 2017.

Tom Kuntz, Chair

Vikki Shirley
Corporate Secretary