1. Call to Order and Chair’s Remarks
The Florida International University Board of Trustees’ Strategic Planning Committee meeting was called to order by Committee Chair Roger Tovar at 12:50 p.m. on Tuesday, September 14, 2021, at the FIU, Modesto A. Maidique Campus, Graham Center Ballrooms and via Zoom.

General Counsel Carlos B. Castillo conducted roll call of the Strategic Planning Committee members and verified a quorum. Present were Trustees Roger Tovar, Committee Chair and Board Vice Chair; Cesar L. Alvarez, Committee Vice Chair; Donna J. Hrinak; Gene Prescott; Joerg Reinhold; and Alexander Rubido.

Trustee Carlos Trujillo was excused.

Board Chair Dean C. Colson, Trustees Natasha Lowell and Marc D. Sarnoff and University President Mark B. Rosenberg also were in attendance.

Committee Chair Tovar welcomed all Trustees and members of the University administration. He also welcomed Trustees, University administrators, and staff attending via the virtual environment and the University community and general public accessing the meeting via the University’s webcast.

2. Approval of Minutes
Committee Chair Tovar asked if there were any additions or corrections to the minutes of the Strategic Planning Committee meeting held on April 21, 2021. A motion was made and unanimously passed to approve the minutes of the Strategic Planning Committee meeting held on April 21, 2021.

3. Information Discussion Items
3.1 Rankings Update and Florida Board of Governors (BOG) Metric Changes
Provost and Executive Vice President Kenneth G. Furton commented on the University’s record year. He indicated that the University climbed 17 spots and is now ranked No. 78 among public universities in the nation in the latest U.S. News and World Report rankings, adding that FIU is most improved among the State University System (SUS) and third most improved in the nation. Provost Furton pointed out that the University is one of only 40 Association of Professional Schools of International Affairs (APSIA) schools in the world. He explained that there are only 25 APSIA schools in the US and added that FIU is the youngest in the U.S. to be elected membership and the only Florida school.
Provost Furton commented on the University’s strategic plan goal of achieving 100 points as it relates to BOG critical performance indicator goals. He remarked on the BOG’s proposed changes to the Performance Based Funding metrics, specifically metrics related to Percent of Bachelors Graduates Employed or Enrolled One Year after Graduation, Four-Year Graduation Rate, and the Board of Trustees Choice Metric. He pointed out that new metrics are also being proposed, stating that these pertain to the two-year graduation rate for transfer students and six-year graduation rates for Pell Grant students. Provost Furton highlighted each proposed metric change in relation to its potential impact to FIU. He provided an overview of revised Next Horizon 2025 Strategic Plan goals, noting that said goals have been updated to reflect goals approved as part of the University’s Accountability Plan. He summarized the University’s historical performance in terms of Performance Based Funding metrics, stating that FIU’s increase in excellence points has doubled. He remarked on research innovation trends since 2014, indicating that FIU has doubled its research expenditures, increased patents by 30-fold, increased licenses by 13-fold, and increased licensing income by 12-fold. Provost Furton pointed out that the University is on track in terms of its strategic plan goals, explaining that two (2) metrics related to auxiliary income and percent of annual alumni giving are lagging.

Trustee Donna J. Hrinak commended the University on the APSIA membership. Committee Chair Tovar remarked on the need for a collaborative marketing and advertising effort in order to ensure that the University’s many successes are shared, particularly with those responsible for completing peer assessment surveys.

3.2 Operational Support and Strategic Hiring Update
Provost Furton presented a prioritized listing of U.S. News & World Report ranking metrics. In terms of the $32M Legislative Budget Request, he presented an overview of the high-level categories with the related impact scores and fiscal year 2020-21 budget and expenses. He explained that the remaining balance will be used in fiscal year 2021-22 carryforward, specifically $799K for Industry Competency Recognition and $363K for the postdoc initiative, which is the Board of Trustees choice metric for the BOG’s Performance Based Funding metrics. He explained that the high-level categories encompass over 80 student success tactics and technology.

Provost Furton commented on classrooms, labs, conference rooms, and offices of the future. He pointed out that FIU has six (6) preeminent programs and six (6) emerging preeminent programs, noting that said programs have been identified to advance in the rankings to Top-25 or Top-50. He provided an update on the proposed plan to strategically hire 110 faculty members, adding that to-date, 37 faculty members have been hired. Committee Chair Tovar requested that information be shared, as necessary with the Deans, to ensure greater clarity in terms of available funding lines for faculty hires. Provost Furton provided an overview of the areas for faculty positions, stating that these include preeminent and emerging preeminent programs and the FIU Center for Translational Science. He presented images of FIU classroom and lab improvements.

3.3 MacKenzie Scott Gift
Provost Furton pointed out that the $40M unrestricted gift (from MacKenzie Scott and husband, Dan Jewitt) was received on June 15, 2021. He mentioned that MacKenzie Scott wrote about investing in higher education as this is the proven pathway to opportunity. Provost Furton explained
that as they (MacKenzie Scott and husband, Dan Jewitt) considered institutions in which to invest, they considered institutions that are successfully educating students who come from communities that have been chronically underserved. He indicated that, nationally, FIU is No. 1 for awarding bachelor’s degrees to Hispanic students and No. 5 for awarding bachelor’s degrees to Black students. He pointed out that approximately 87% of FIU students are minorities and more than 67% are Hispanic, adding that over 50% of undergraduate students are Pell eligible and graduate at higher rates than non-Pell students.

Provost Furton commented on the University’s recommendation of building a permanent endowment for recurring investments from the Scott gift, specifically 2:1 match over the next several years for one-time non-recurring expenditures for student success and endowment earnings for student success. Trustee Cesar L. Alvarez commented that the cash gift was not provided as an endowment and therefore, perhaps is intended to meet an immediate financial need. Committee Chair Tovar concurred with Trustee Alvarez and requested that the University analyze options that can serve to both effectuate change today while also providing funding for underserved students for future generations. Trustee Marc D. Sarnoff commented that using the funds to advance the University’s pursuit of Top-50 may help attract future funding. Committee Chair Tovar requested that options be presented at the next regularly scheduled meeting of the Strategic Planning Committee. Trustee Natasha Lowell requested that the Committee also receive information relating to scholarship students with unmet financial needs.

3.4 Higher Education Emergency Relief Funds (HEERF)

Senior Vice President for Administration and Chief Financial Officer Kenneth A. Jessell commented that the University received approximately $245M in Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act I, II, and III funds. He explained that the first round of funding, $41M, was divided into three (3) different components, specifically $19.15M in emergency financial aid grants to students, $19.15M in institutional funds to cover costs associated with the changes in the delivery of instruction, and because of the University’s student composition, $2.8M in minority serving institution (MSI) funds. He explained that the second tranche of funding totaled approximately $75M, noting that $19.15 was designated as financial aid grants to students, $51.75M for institutional funds to cover costs and lost revenues associated with COVID-19 that could also serve as additional aid to students, and $4.62M in MSI funds. Sr. VP and CFO Jessell remarked on the third tranche of funding, totaling $128M, specifically $62.76M in financial aid grants to students, $58.01M in institutional funds to cover costs, lost revenues, and student grants, and $7.65M in MSI funds. He presented a summary of funding awards, pointing out that most of the student aid has been distributed and that the deadline for expenditures related to financial aid grants to students and institutional funds was extended through May 17, 2022. Sr. VP and CFO Jessell added that the deadline for expenditures of MSI funds was extended through August 2, 2022, noting that if federal funds are not committed as the deadlines approach, the University is allowed to apply for a one-year no cost extension.

Sr. VP and CFO Jessell described the federal guidance related to the spending of CARES funds, stating that emergency financial aid grants can be awarded to students who are or were enrolled on or after March 13, 2020 for any component of their cost of attendance, such as tuition, food, health care or childcare. He added that FIU cannot direct or control what students may use their
emergency financial aid grants on, adding that the University must prioritize students with exceptional need. Sr. VP and CFO Jessell remarked on allowable uses of institutional funds, specifically personal protective equipment, vaccinations, testing, lost revenues, and minor remodeling, such as alterations in a previously completed building for purposes associated with COVID-19, extension of utility lines, and heating, ventilation, and air conditioning (HVAC) systems to help with air filtration to prevent the spread of COVID-19. He described unallowable uses, such as funding contractors for the provision of pre-enrollment recruitment activities, capital outlays associated with facilities related to athletics, sectarian instruction, or religious worship, executive salaries and bonuses, construction or purchase of real property, and costs specifically prohibited under Uniform Guidance. In terms of the MSI funds, he commented that allowable uses include defraying institutional expenses associated with COVID-19, technology costs associated with the transition to distance education, payroll, lost revenues, and additional emergency financial aid grants to students. He mentioned that prohibited uses include those previously mentioned.

In terms of lost revenue reimbursements, Sr. VP and CFO Jessell provided an overview of allowed sources and unallowed sources. In terms of allowed academic sources, he highlighted tuition and fees, enrollment declines, unpaid student accounts receivable, room and board, and supported research. Relating to allowed auxiliary services, he commented on cancelled ancillary events, disruption of food service, dormitory and childcare services, use of facilities, except if associated with sectarian instruction or religious worship, and bookstore and parking revenues. Pertaining to unallowed sources, he remarked on capital outlays associated with facilities and acquisition of real property, among others previously mentioned.

Sr. VP and CFO Jessell provided an overview of the commitments in terms of financial aid funds, institutional funds, and MSI funds. He added that of the $245M received, $134M has been expended and committed. He indicated that institutional expenses and commitments totaled $30.43M, explaining that the related categories include housing and meal plan refunds, remote learning and technology, discharge of student debt, emergency grants to students, personal protection equipment, testing tab, contact tracing, vaccination program, and allowable overhead. Sr. VP and CFO Jessell pointed out that the University incurred $54.12M in institutional and MSI lost revenues. He commented on the anticipated uses for the remaining $51.81M in unused institutional funds, including up to $27M on installation/renovation of HVAC systems to prevent the spread of COVID-19, $13.5M in additional financial aids to students, and up to $10M for the discharge of student debt.

4. New Business
No new business was raised.

5. Concluding Remarks and Adjournment
With no other business, Committee Chair Roger Tovar adjourned the meeting of the Florida International University Board of Trustees Strategic Planning Committee on Tuesday, September 14, 2021, at 1:43 p.m.