



## BOARD OF TRUSTEES

# Governance, Audit, & Compliance Committee Meeting Agenda

November 7, 2024  
1:30 – 2:45 P

Virtual via Microsoft Teams

Dial in: 1-863-225-2351 | Conference ID: 784 885 476#

## COMMITTEE MEMBERS

Cliff Otto, Chair  
Dr. Dorian Abbot

Jesse Panuccio, Vice Chair  
Dr. Sidney Theis

Patrick Hagen

## MEETING AGENDA

- |       |   |   |
|-------|---|---|
| I.    | Call to Order   | Cliff Otto, Chair                                     |
| II.   | Roll Call   | Sherri Pavlik<br>Executive Assistant                  |
| III.  | Public Comment  | Cliff Otto  |
| IV.   | <a href="#">Approval of September 6, 2024, Minutes</a><br><i>*Action Required*</i>                          | Cliff Otto  |
| V.    | <a href="#">2024-2026 Governance, Audit, and Compliance Committee Work Plan</a><br><i>*Action Required*</i> | Cliff Otto  |
| VI.   | Audit and Compliance  | David Blanton<br>CAE and CCO                          |
|       | A. <a href="#">Audit and Compliance Update</a>  |   |
|       | B. <a href="#">Foundation Internal Controls Follow-up Audit Review</a>                                      |   |
| VII.  | Governance  |   |
|       | A. <a href="#">Regulation FPU-2.006 Application Fee and Admissions Deposit</a> <i>*Action Required*</i>     | David Fugett<br>Vice President and<br>General Counsel |
|       | B. <a href="#">Immediate Past President's Evaluation for 2023-24</a><br><i>*Action Required*</i>            | Cliff Otto  |
|       | C. <a href="#">Immediate Past President's Compensation Bonus</a><br><i>*Action Required*</i>                | Cliff Otto  |
| VIII. | Closing Remarks and Adjournment   | Cliff Otto  |



## BOARD OF TRUSTEES

# Governance, Audit, and Compliance Committee **DRAFT** Meeting Minutes

September 6, 2024  
9:00 A – 10:30 A

Florida Polytechnic University  
Barnett Applied Research Center (BARC)  
and Virtual via Microsoft Teams

### I. Call to Order

Committee Chair Cliff Otto called the Governance, Audit, & Compliance Committee meeting to order at 9:06 a.m.

### II. Roll Call

Kristen Wharton called the roll: Committee Chair Cliff Otto, Trustee Patrick Hagen, Trustee Dorian Abbot, and Trustee Sidney Theis were present (Quorum).

Committee members not present: Committee Vice Chair Jesse Panuccio

Other Trustees Present: Board Chair Beth Kigel, Trustee Towle, and Trustee Christos Tsetsekas

Staff Present: President Devin Stephenson, Interim Provost Brad Thiessen, Dr. Allen Bottorff, David Fugett, David Blanton, Melaine Schmiz, Sherri Pavlik, and Kristen Wharton

### III. Public Comment

There were no requests received for public comment.

### IV. Approval of the May 29, 2024, Minutes

Trustee Patrick Hagen made a motion to approve the Governance, Audit, and Compliance Committee meeting minutes for May 29, 2024. Trustee Sidney Theis seconded the motion; a vote was taken, and the motion passed unanimously.

### V. 2024-2026 Governance, Audit, and Compliance Committee Charter

Committee Chair Otto explained that the Committee Charter is reviewed every two years to ensure that it accurately reflects the committee's responsibilities. The charter was opened for comments. There were no further discussions.

**Trustee Sidney Theis made a motion to recommend approval of the 2024-2026 Governance, Audit, and Compliance Committee Charter to the Board of Trustees. Trustee Patrick Hagen seconded the motion; a vote was taken, and the motion passed unanimously.**

VI. 2024-2026 Governance, Audit and Compliance Committee Work Plan Review

This item was not covered during the meeting; therefore, it will be on the agenda for the next Committee meeting in November.

VII. Audit and Compliance

A. Audit and Compliance Update

David Blanton, Chief Compliance Officer and Chief Audit Officer, provided the Committee with an update on external and internal audits as noted below.

External Audit Reports included:

1. AG Financial Audit FYE24
2. BOG Certification of Corrective Actions – corrective actions to the finding on retention of sensitive personal information has been addressed and on track to be corrected by mid-September.

Internal Audit Reports included:

1. Annual Report FYE 24 – completed
2. Risk Assessment/Audit Plan FYE 25 - completed
3. Compliance & Ethics Program Plan FYE 25 – completed
4. Foundation controls review – in progress
5. Textbook Adoptions Compliance Review FY 24 – in progress
6. PFB Audit – in progress

B. UAC Annual Report

Blanton provided an overview of the internal UAC Annual Report FYE 24 highlighting the completion of three audit reports and four compliance reports. He also administered and disposed of eight allegations/complaints, assisted with various consulting activities and obtained relevant audit/compliance training.

C. UAC Risk Assessment & Audit Plan – FYE 25

Blanton reported on the progress of the UAC Risk Assessment & Audit Plan FYE25 which included a breakdown of audit risk areas and the objectives/purpose of audit or activity.

**Trustee Sidney Theis made a motion to recommend to the Board of Trustees the approval of the UAC Risk Assessment & Audit Plan – FYE25. Trustee Patrick Hagen seconded the motion; a vote was taken, and the motion passed unanimously.**

D. UAC Compliance & Ethics Program Plan – FYE 25

Blanton provided an overview of the UAC Compliance & Ethics Program Plan FYE 25. He shared that the plan covers each of the seven elements of the Federal Sentencing Guidelines and identifies risk-based areas of focus from previous fiscal year plans.

**Trustee Patrick Hagen made a motion to recommend to the Board of Trustees the approval of the UAC Compliance & Ethics Program Plan – FYE 25. Trustee Sidney Theis seconded the motion; a vote was taken, and the motion passed unanimously.**

E. Performance Based Funding Audit, Scope, and Objections – 2024 Audit

Blanton presented to the Committee the objectives and scope of the Performance Based Funding (PBF) Audit. He shared that this was the fifth year of PBF participation for Florida Poly. The audit report and data integrity certification are due to the BOG's Office of Inspector General by March 1 each year.

**Trustee Dorian Abbot made a motion to recommend to the Board of Trustees the approval of the proposed scope of the PBF Data Integrity Audit. Trustee Sidney Theis seconded the motion; a vote was taken, and the motion passed unanimously.**

VIII. Governance

A. President's Annual Review – Trustee Evaluation Instrument

David Fugett, Vice President and General Counsel, reminded trustees of the Board of Governors (BOG) requirement for an annual evaluation of the president. This year, the evaluation instrument was modified to align with the goals of the former president, which were previously approved by the Board. The evaluation form, modeled after past assessments, will include the former President's approved Operational Goals and his accomplishments for FY24. These documents will be distributed to each Trustee in mid-October. The survey results will be reviewed and discussed at the November BOT meeting.

**Trustee Patrick Hagen made a motion to recommend to the Board of Trustees the approval of the Trustee Evaluation Instrument titled "President's Annual Review" to be used in the FYE 2024 evaluation of the former President Avent's performance. Trustee Sidney Theis seconded the motion; a vote was taken, and the motion passed unanimously.**

B. Policy on Public Comments at the Board of Trustees Meetings

Fugett informed the Committee of the BOG's amended regulation, which removes the President from the role of Corporate Secretary. Consequently, the reference to the President in the BOT's Policy on Public Comments has been removed.

**Trustee Sidney Theis made a motion to recommend to the Board of Trustees the approval of the Policy on Public Comments at the Board of Trustees Meetings. Trustee Patrick Hagen seconded the motion; a vote was taken, and the motion passed.**

## A. Employment Practices

President Stephenson provided an overview of the Employee Hiring process, personnel management, a summary of employees hired in FY24, and a summary of employees making over \$200k a year.

Trustee Dorian Abbott raised a concern about the higher number of staff hires compared to faculty. He asked for clarification on the number of staff versus faculty and whether this ratio is appropriate, particularly in terms of delivering the optimal educational outcomes to the students. Dr. Allen Bottorff, VP of Finance and Administration, explained that the current staff-to-faculty ratio is 2:1, with 106 full-time faculty and 219 full-time staff/administrators. He noted that while this ratio is typical during the institution's early growth, it will evolve as the institution matures.

President Stephenson and Kevin Calkins, Director of Institution Research, added that while the University's staff-to-faculty ratio is lower than other universities in the State University System, it has improved over the last 2 years. According to the metrics collected by the Board of Governors, the University's current ratio is 3.9:1, compared to the SUS average of 4-6:1

## IX. President's Administrative Action Plan FY25

The President provided an in-depth presentation on the institution's strategic direction, sharing insights drawn from a comprehensive review of the University's past and future. The process involved extensive interviews with senior leadership, trustees, faculty, and external stakeholders, as well as a detailed analysis of institutional performance documents. The President emphasized the importance of balancing historical context with forward-looking strategies.

The plan highlights four key focus areas:

1. **Impact:** Strategies to enhance the University's influence in the community and beyond
2. **Educational Excellence:** Maintaining the institution's reputation for academic rigor and striving for continuous improvement
3. **Culture:** Prioritizing and fostering a positive institutional culture
4. **Growth:** Plans for sustainable growth aligned with the university's role in building Florida's technology-based economy

The President concluded that these strategic goals will be supported by multiple strategies and tactics, with progress to be evaluated in the coming year.

Trustee Abbott inquired about President Stephenson's plan for engaging with the legislature and securing funding. President Stephenson confirmed that legislative engagement has been a priority since being selected as President. He has already met with the local legislative delegation and the institution's lobbyists, and a plan is in place with strong support from the delegation.

Trustee Cliff Otto provided one last thought regarding the institution's strategy for recruiting highly qualified faculty, acknowledging the ongoing challenge of attracting and retaining top talent. President Stephenson agreed to address this topic in more detail at a future board meeting.

X. Closing Remarks and Adjournment

With no further business to discuss the meeting adjourned at 10:00 a.m.

Respectfully submitted:

Sherri Pavlik

Executive Assistant & Paralegal

Office of General Counsel

Florida Polytechnic University  
Governance, Audit, and Compliance Committee  
Board of Trustees  
November 7, 2024

Subject: 2024-2026 Governance, Audit, and Compliance Committee Work Plan

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**Proposed Committee Action**

Information only. No action required.

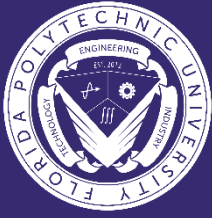
**Background Information**

Committee Chair Sidney Theis will review the Committee's 2024-2026 Work Plan.

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**Supporting Documentation:** Governance, Audit, and Compliance Committee Work Plan 2024-2026

**Prepared by:** David Fugett, Vice President and General Counsel



# Committee Work Plan

## Governance, Audit, and Compliance Committee Work Plan 2024-2026

### SEPTEMBER

- Review Governance, Audit, and Compliance Committee Charter (review every two years – due September 2026)

#### Governance:

- Make recommendation on the trustee evaluation instrument to be used for President's annual review
- Review President's Outcome Metrics (for prior FY)
- Review President's Powers and Duties (if needed)
- Employment Practices Report

#### Audit and Compliance:

- University Operational Audit – Auditor General (*minimum every three years*)
- UAC Annual Report (*prior FY*)
- UAC Risk Assessment and Audit Plan (*current FY*)
- University Compliance and Ethics Program Plan (*current FY*)
- Performance Based Funding Audit Scope Approval
- Audit and Compliance Charter Reviews (*every three years – due 2026*)

### NOVEMBER

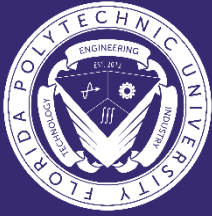
#### Governance:

- Make recommendations to the Board on President's evaluation outcome and compensation changes
- Make recommendation to Board on renewal of President's employment agreement and any necessary changes to the agreement (*due 2026*)

#### Audit and Compliance:

- Textbook Affordability Monitoring Report (*Fall semester*)
- Foundation Financial Audit (*Prior FY*)





# Committee Work Plan

## Governance, Audit, and Compliance Committee Work Plan 2024-2026

### FEBRUARY

#### Governance:

- Review Board Bylaws (review every 3 years – due 2027)
- Discuss nominations for Board Chair and Vice Chair (every 2 years - due February 2026)
- Oversee Board self-assessment (every 5 years – due February 2028)
- Employment Practices Report

#### Audit and Compliance:

- Performance Based Funding Audit and Data Integrity Certification
- University Annual Financial Audit (*prior FY*)
- Foundation 990 Financial Audit (*prior FY*)

### JUNE

#### Governance:

- Make recommendation to Board on President's proposed goals for FY+1
- Discuss Board training needs
- Make recommendation on nominations for Board Chair and Vice Chair (every two years – due May 2026)

#### Audit and Compliance:

- Textbook Affordability Monitoring Report (*Spring semester*)
- Bright Futures Audit (*review and approve every two years – due June 2026*)

Florida Polytechnic University  
Governance, Audit and Compliance Committee  
Board of Trustees  
November 7, 2024

Subject: Audit & Compliance Update

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**Proposed Committee Action**

Information only. No action required.

**Background Information**

David Blanton, Chief Audit Executive/Chief Compliance Officer (CAE/CCO) will provide the Committee with an update of all University audit and compliance activity including the status of all external audits and University Audit & Compliance activities and plans.

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**Supporting Documentation:** N/A

**Prepared by:** David A. Blanton, CAE/CCO

Florida Polytechnic University  
Governance, Audit & Compliance Committee  
Board of Trustees  
November 7, 2024

Subject: Foundation Internal Controls Follow-up Audit Review

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**Proposed Committee Action**

Information only. No action required.

**Background Information**

Pursuant to the Audit Work Plan approved by the Audit & Compliance Committee, University Audit and Compliance (UAC) conducted an audit follow-up audit review over the State University System Florida Board of Governors “Review of Financial Internal Controls for University Direct Support Organizations Report” that was conducted by the independent auditors of Crowe, LLP. Additionally, this review also included findings from the most recent financial audit of the Foundation for FYE23, conducted by independent auditors CLA.

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**Supporting Documentation:** UAC Report 2025-04, Foundation Internal Controls Follow-up Review

**Prepared by:** David A. Blanton, CAE/CCO



**FLORIDA POLYTECHNIC  
UNIVERSITY**

**Report No: FPU 2025-04**

**October 2024**

**University Audit & Compliance  
Foundation Internal Controls  
Follow-up Review**

David A. Blanton, CPA, CCEP  
Chief Audit Executive and Chief Compliance Officer

# **University Audit & Compliance Foundation Internal Controls Follow-up Review**

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University Audit and Compliance (UAC) is employed by the University. UAC's mission is to serve the University by recommending actions to assist in achieving its strategic and operational objectives. This assistance includes evaluating and providing assurance of activities designed and implemented by management to strengthen internal controls, reduce risk to and waste of resources, and improve operations to enhance the performance and reputation of the University. Accordingly, this report is intended solely for the use of University management and its various oversight authorities and is not intended for any other purpose. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

## **I. Background and Review Approach**

Pursuant to the Audit Work Plan<sup>1</sup> approved by the Audit & Compliance Committee, University Audit and Compliance (UAC) conducted a follow-up review over the State University System Florida Board of Governors “Review of Financial Internal Controls for University Direct Support Organizations Report” that was conducted by the independent auditors of Crowe, LLP.

The following background information is derived directly from the Crowe report that was released on July 25, 2022:

The State University System of Florida (SUS) Board of Governors (the Board or BOG) engaged Crowe LLP (Crowe) to assess the financial controls for university support organizations across the SUS’ twelve universities. Crowe was instructed to prepare a report for each of the 90 DSO’s identified for the assessment. DSO-level reports were summarized at the university-level and delivered to university management and the BOG.

Crowe’s objective was to assess if financial controls were reasonable over support organizations’ financial processes and records to protect the organization from theft or malfeasance and that duties were properly segregated among employees with proper oversight and monitoring activities.

The scope of Crowe’s assessment included DSO policies and procedures, segregation of duties, system access controls, management review and approval requirements, account reconciliations, monitoring practices, and exception reporting. Crowe also reviewed entity-level controls and governance components including board composition, audit charters, culture and ethics, conflicts of interest disclosures, and emphasis on financial accountability. Compliance with established policies and procedures and State and University regulations and policies was also included, as was the selection and oversight of the independent financial statement auditors.

The DSO-level report includes the assessment results for Florida Polytechnic University Foundation which is a support organization of Florida Polytechnic University (“the University”). Crowe reviewed applicable functional areas of Florida Polytechnic University Foundation as follows:

- Accounts Receivable
- Accounts Payable
- Cash Management
- Corporate Governance
- Investment Management
- Journal Entries
- Procurement
- Related Party Transactions

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<sup>1</sup> UAC Compliance and Ethics Program Plan for the Fiscal Year Ended June 30, 2024.

The following functions were not applicable to Florida Polytechnic University Foundation and were not included in Crowe's assessment.

- Capital Asset Management
- Capital Construction
- Debt Service/Loans Payable
- Payroll

Additionally, the financial audit of the Foundation for FYE23, conducted by independent auditors CLA, disclosed the following matters in their audit and management letter dated November 20, 2023:

- Internal controls over preparation of the financial statements were inadequate and required material audit adjustments to fairly present the financial statements. (Classified as a Material Weakness)
- Internal controls over revenue recognition for certain gifts/pledges were inadequate and required additional time and effort to secure documentation necessary for revenue recognition of a major gift. (Classified as a Significant Deficiency)
- During the audit, CliftonLarsonAllen (CLA), LLP, observed manual journal entries that were proposed, reviewed, and recorded by the same individual. This represents a potential segregation of duties breakdown that management should evaluate and correct either through compensating controls or enhanced processes. (Management Letter)
- During the audit of endowment funds and restricted funds, CLA noticed that there was not an efficient way that all transactions within restricted or endowed funds were tracked. The Foundation is fiduciarily responsible to ensure that donor funds are spent in accordance with the donor wishes and endowed funds are managed accordingly. CLA recommended that management establish a process that tracks fund level activity for all inflows and outflows from specific funds that reconcile back to financial records at year end. (Management Letter)

A follow-up review over the Crowe deficiencies was directed by the University Audit and Compliance Committee of the Board of Trustees in both the FYE23 and FYE24 audit plans. UAC delayed the follow-up review until the Foundation had sufficient time to implement corrective measures. Additionally, given this delay, the concerns of the CLA management letter were incorporated into the scope of this follow-up review. The following timeline outlines changes in Foundation accounting personnel and the related difficulty in implementing corrective actions for the Crowe observations:

**Table 1: Foundation Timeline of Events/Staffing**

Date	Event/Action
7/25/22	Crowe releases report on Foundation that detailed 3 findings.
2/6/23	Foundation adds Staff Accountant.
4/6/23	Foundation's Director of Operations (serving Sr. Account role) retires.
7/5/23	Foundation adds second Staff Accountant (contracted individual)
July 2023	Foundation has 2 employees in place and enhances controls to adequately segregate duties over weaknesses identified in the audit report.
July 2023 to June 2024	Period of review by UAC to determine whether internal controls were properly designed and are effectively working to remedy audit observations and/or recommendations.

As noted in table 1 above, the Foundation experienced staffing difficulties and was unable to staff at least two positions until July 2023. Consequently, this review by UAC was delayed until sufficient time had passed to provide a greater period of review to demonstrate that adequate controls were placed into operation, such controls were effectively working, and that evidence of such controls were appropriately documented for audit purposes.

Procedures performed by UAC in conducting this follow-up review included a review of various records supporting corrective action and inquiries of Foundation accounting personnel to arrive at the conclusions reached in **Section III** of this report. This follow-up review and the related report was not conducted pursuant to *Institute of Internal Auditing Standards*.

## **II. Entrance/Exit Conference**

Entrance Conference: At the inception of the monitoring review, UAC communicated with the university's Office of General Counsel and Human Resources to explain the purpose and the scope of the monitoring review and to establish a timeline for completion.

Exit Conference: At the conclusion of the monitoring review, UAC communicated with Foundation staff to discuss the results of the review.

## **III. Monitoring Results**

UAC performed follow-up review procedures over recently released reports of the Foundation. **Table 2** below outlines various audit concerns applicable to this review and provides an indication as to whether appropriate policies, processes, and controls have been designed and implemented to ensure satisfactory corrective action. Detailed findings for any Foundation audit observations not deemed adequately corrected and referenced in the tables below are included in **Section IV** of this report or other reports referenced herein.



Table 2 – Foundation Audit Findings/Concerns			Follow-up Findings/Comments
<b>Crowe Review of Internal Controls</b>			
1.	Journal entries and reconciliation reviews were prepared and posted by the same individual.	<input checked="" type="checkbox"/>	(1)
2.	Accounts Receivable entries and reconciliation reviews were prepared and posted by the same individual.	<input checked="" type="checkbox"/>	(1)
3.	Cash Management entries and reconciliation reviews were prepared and posted by the same individual.	<input checked="" type="checkbox"/>	(1)
<b>CLA Financial Audit FYE23 – Financial Statement Findings</b>			
4.	Finding 2023-001: (Classified as a Material Weakness) Audit adjustments were required to properly correct reported amounts on the financial statements for the following accounts: <ul style="list-style-type: none"> <li>Understated discount calculation on pledge receivables.</li> <li>Unrecorded revenue and expense of university support.</li> <li>University intercompany amounts. (i.e. Due to/from the University should agree on both books)</li> </ul>	<input checked="" type="checkbox"/>	(2)(3)
5.	Finding 2023-002: (Classified as a Significant Deficiency) The Foundation did not have a formal policy regarding year-end cutoff with verified gifts/pledges and the related documentation, which led to a significant gift occurring late in the year that was not formalized until 4 months after year-end.	<input checked="" type="checkbox"/>	(4)
<b>CLA Financial Audit FYE23 – Management Letter</b>			
6.	During the audit, we observed manual journal entries that were proposed, reviewed, and recorded by the same individual. This represents a potential segregation of duties breakdown that management should evaluate and correct either through compensating controls or enhanced processes.	<input checked="" type="checkbox"/>	(1)
7.	During our audit of endowment funds and restricted funds, we noticed that there was not an efficient way that all transactions within restricted/endowed funds were tracked.	<input checked="" type="checkbox"/>	(2)

**LEGEND:**

- ☒ Appropriate policies, processes, or controls in place to correct audit weakness.
- ☒ Processes or policies need further enhancement correct audit weakness.

**NOTES:**

- (1) The current status of this finding was tested by UAC and corroborated by the audit of CLA for FYE24.
- (2) The current status of this finding was determined from the audit by CLA for FYE24.
- (3) As reflected in the FYE management letter issued by CLA, continued improvement is recommended for these areas (excluding the unrecorded revenue and expenses associated with university support). CLA indicated that while some improvement had been made, and resulting adjustments were not material as a whole, continued strengthening of controls was recommended. Consequently, these matters were not reported as material weaknesses for FYE24 (management letter only).
- (4) This transaction was unique to FYE23 and thus not applicable to FYE24 or this follow-up review. However, the Foundation has developed a policy to address this matter. No mention of this finding in the audit report issued by CLA for FYE24.

#### **IV. Findings/Recommendations**

##### **Enhanced Monitoring Controls**

As noted in **Table 2**, certain control weaknesses<sup>2</sup> cited by the Foundation's external auditors remain a concern. Provided that the Foundation accounting function is staffed with a relatively small staff (1.5 FTE), internal controls could be enhanced to provide for additional oversight and guidance from University accounting staff that has a wealth of accounting experience. Currently, no independent oversight or monitoring controls are in place for the Foundation's accounting function. Establishing and implementing appropriate oversight and monitoring controls, independent of Foundation accounting staff, would mitigate fraud risk and the risk of further audit findings.

#### **V. Other Observations and Recommendation**

UAC would like to extend gratitude to the Foundation accounting staff for their assistance with these follow-up review procedures.

#### **VI. References and Technical Assistance**

Listed below are the applicable guidelines, policies, and other information related to this follow-up review:

- FPU-10.002 University Direct Support Organizations
- Crowe's report titled "Review of Financial Internal Controls for University Direct Support Organizations Report - Florida Polytechnic University Foundation" dated July 25, 2022.
- CLA's Financial Audit of the Foundation for FYE23 and FYE24
- Foundation Policies

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<sup>2</sup> See CLA's FYE24 management letter for detailed audit deficiencies.

Florida Polytechnic University  
Governance, Audit, and Compliance Committee  
Board of Trustees  
November 7, 2024

Subject: FPU-2.006 Application Fee and Admissions Deposit

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**Proposed Committee Action**

Recommend approval to the Board of Trustees of the proposed amended regulation FPU-2.006 Application Fee and Admissions Deposit.

**Background Information**

This regulation is being amended to waive applicant fees during designated strategic marketing campaigns, subject to the President's approval.

The Notice of Amended Regulation was posted on the University's website on October 21, 2024. No comments were received during the review and comment period.

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**Supporting Documentation:** Draft proposed amended regulation FPU-2.006 Application Fee and Admissions Deposit

**Prepared by:** Melaine Schmiz, Associate General Counsel

## THE FLORIDA POLYTECHNIC UNIVERSITY BOARD OF TRUSTEES

### **FPU-2.006 Application Fee and Admissions Deposit.**

(1) The University has established the fees set forth in this regulation. The fees listed are in addition to fees set forth in other University regulations and other charges that are authorized by law.

(2) Application Fee.

(a) Unless otherwise provided herein, an individual who applies for admission to the University or for enrollment as a non-degree seeking student (collectively referred to as “Applicant”) shall pay a non-refundable application fee in the amount of \$30.

(b) Upon the Applicant’s request, the University will waive the application fee if the Applicant provides documentation that he/she received a fee waiver based upon economic need as determined by the College Board or the American College Testing Program.

(c) The University may waive the application fee during designated strategic marketing campaigns aimed at attracting prospective students. The conditions and duration of such campaigns will be determined by the Vice President overseeing Enrollment Management in alignment with institutional goals and subject to the approval of the President of the University.

(3) Admissions Deposit.

(a) An individual who has been admitted to an undergraduate, graduate, or professional degree program of the University will, upon the individual’s acceptance to the University, pay a non-refundable admissions deposit in the amount of \$200 in order to secure his/her admission to the University.

(b) Upon the individual’s request, the University will waive the admissions deposit if the individual provides documentation that he/she received an application fee waiver because of economic need as determined by the College Board or the American College Testing Program.

(c) The University will apply the admissions deposit as partial payment toward the individual’s tuition upon the individual’s registration at the University. If the individual does not enroll in the University, the University will administer the admissions deposit in accordance with the Board of Governors’ regulations.

*Specific Authority: Fla. Stat. §1009.24, BOG Regulations 1.001(6) and 7.003(2)(c) and (2)(i)*

*History—New 7.8.13, revised XX.XX.24-*

Florida Polytechnic University  
Governance, Audit, and Compliance Committee  
Board of Trustees  
November 7, 2024

Subject: Immediate Past President's Evaluation for 2023-24

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**Proposed Committee Action**

Recommend to the Board of Trustees approval of the document "*President's Annual Review, July 2023-June 2024, Composite of the Trustees' Evaluations*" as the document reflecting the immediate past President's annual evaluation for 2023-24.

**Background Information**

Pursuant to the president's employment contract and the Board of Trustees Policy on Annual Review of the President, the Board of Trustees must conduct an annual review and assessment of the president's performance. The purpose of the annual review process, for an immediate past president, is to assist the Board in awarding the immediate past president a compensation bonus pursuant to his contract.

The Governance Committee is responsible for overseeing the review process and presenting its findings and recommendations to the full Board.

1. **Self-Evaluation:** The immediate past president's accomplishments FY24 were distributed to the Board of Trustees in early October and used in the review process. As required, a copy of this has also been provided to the Board of Governors.
2. **Evaluation Instrument:** An evaluation instrument was provided to trustees along with the immediate past president's Operational Goals FYE24 and Accomplishments FY24. Trustees completed this instrument to assess the immediate past president's performance. The collected results were compiled and provided to the Governance, Audit, and Compliance Committee.

Chair Kigel met with Board of Governors Chair Brian Lamb to discuss former President Avent's evaluation as required.

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**Supporting Documentation:**

1. Florida Polytechnic University Board of Trustees Policy on Annual Review of the President, in pertinent part
2. President Avent's Employment Agreement

**Prepared by:** David Fugett, VP and General Counsel

# **Florida Polytechnic University Board of Trustees Policy on Annual Review of the President, in pertinent part**

This policy supplements Florida Board of Governors ("BOG") regulations and provides guidelines for conducting the annual review and assessment of the President's performance, goals, and compensation by the Board of Trustees ("Board"). This policy outlines the purposes and details the process by which the President's performance, goals, and compensation shall be reviewed by the Board on an annual basis. In addition, a comprehensive review of the President's performance and compensation shall first be conducted toward the latter part of the President's third year of employment with the University and then normally occur at five-year intervals thereafter.

## **Principles**

The Board believes six principles should guide and inform the review of the President's performance:

1. The review should derive from explicit values of the University and from the University's strategic plan, work plan, accountability report, and the BOG's Strategic Plan.
2. The review process should set specific annual goals for the President.
3. Reviewing the President's performance is a non-delegable responsibility of the Board. While other viewpoints may be considered by the Board, specifically those of faculty, the Board must take direct responsibility for the review.
4. The review process should be a reciprocal process that includes a self-evaluation from the President.
5. The review should focus on how well the President advances the major institutional objectives of the University.
6. A formal review should be conducted annually, immediately following the academic year. A comprehensive review should occur the latter part of the President's third year of employment with the University and then normally occur at five-year intervals thereafter. Informal evaluations should occur frequently, in the form of informal conversations between the President and the Board Chair.

## **Annual Review**

### **Purpose**

The purpose of the annual review process is to enable the President to strengthen his or her performance, to enable the President and the Board to set mutually agreeable goals, and to inform the Board's decisions on compensation adjustments and other terms of the President's employment.

## **Responsibility**

The Board is responsible for assessing the President's performance, goals, and compensation. The Board's Governance Committee, as its members shall mutually decide and within the parameters of this policy, is delegated the responsibility for organizing and conducting the annual review process with the President and making recommendations related to the outcome of the annual review, the annual goals, and the President's compensation to the full Board.

## **Process**

1. On or before June 1 of each fiscal year, the President will submit his or her proposed goals for the upcoming fiscal year to the Board Chair and the Governance Committee.
2. The Governance Committee will discuss the goals for the upcoming year with the President and present the proposed goals to the full Board for discussion and approval.
3. In September of each year, the President shall initiate the annual review process by preparing a self-evaluation that addresses higher level activities for the just concluded fiscal year. The President will submit his or her self-evaluation to the Board Chair and the Governance Committee by October 15 of each year. The self-evaluation format will remain the same year to year unless revised by the Committee in consultation with the President in the intervening period.
4. Once the President has submitted the self-evaluation and proposed goals to the Board Chair, the Board Chair shall provide copies of the same to the chair of the BOG and request the chair of the BOG's participation in the annual evaluation; the chair of the BOG may involve the chancellor in the review process. Such participation will include a review of the President's responsiveness to the BOG's strategic goals and priorities and compliance with system-wide regulations.
5. The Governance Committee shall review the self-evaluation and proposed goals and may request any additional information from the President to assist the Board in its review.
6. Prior to the Board meeting at which the President's review, goals, and compensation will be acted upon, the Chair shall send to the President and all members of the Board the self-evaluation and proposed goals, any supplemental information the Governance Committee may have requested of the President and any supplemental information the Governance Committee has developed.
7. The Board shall complete the annual review and make any compensation award contemplated under the President's Employment Agreement no later than December 31 of each year, commencing December 2020.

After the Board's deliberation and action, minutes shall be published to document the review of the President's performance, goals, and any adjustments to the President's compensation.

## **Outcomes**

After the Board's deliberation and action, minutes shall be published to document the review of the President's performance, goals, and any adjustments to the President's compensation.

## **PRESIDENT'S EMPLOYMENT AGREEMENT**

This President's Employment Agreement (the "Agreement") is entered into by the **Florida Polytechnic University Board of Trustees** ("the Board" or "the Board of Trustees"), a public body corporate of the State of Florida, on behalf of Florida Polytechnic University ("University"), and **Dr. Randy K. Avent** ("President").

### **Background**

WHEREAS, the Board, acting on behalf of Florida Polytechnic University (the "University"), has the authority to select and employ the President of the University; and

WHEREAS, the Board previously selected Dr. Randy Avent to serve as President of the University, subject to confirmation of the Board of Governors; and

WHEREAS, the Board wishes to continue to employ Dr. Randy Avent as the University's President, and Dr. Randy Avent wishes to serve as President and be a University employee, subject to the terms and conditions of this Agreement;

NOW, THEREFORE, in consideration of mutual promises and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the parties, the parties agree to this Agreement as follows:

### **1.0 Powers and Duties of President While Serving as President**

- 1.1 The President reports to the Board and is the Corporate Secretary of the Board and the Chief Executive Officer of the University, subject to the supervision of the Board, the laws of Florida, and the rules, regulations, and policies of the Board, the University and the Board of Governors. During the Presidential Appointment Term (as defined in section 3.1 below), the President has the powers and duties reserved to the position of president by the Florida Statutes and the University regulations and other actions of the Board (collectively "Duties"), as they presently exist or may hereafter be amended. The President and the Board acknowledge and agree that the Duties hereunder are and shall be consistent with those customary for the position of a university president, including, but not limited to educational leadership, faculty relations, budgeting, long-range planning, fundraising, public relations, student services, recruitment of personnel, appointment, promotion and dismissal of all faculty and staff members, as well as any such additional duties commensurate with such position as may be specified from time-to-time by the Board. The President has the full power and authority to direct the operation and management of the University, subject to the direction, control and instructions of the Board.



## **2.0 Best Efforts While Serving as President**

- 2.1 During the Presidential Appointment Term, the President will diligently devote his full professional time, ability, and attention to the day-to-day operations of the University, including without limitation, all administrative, executive and academic functions.
- 2.2 During the Presidential Appointment Term, the President's expenditure of reasonable amounts of time for personal or outside business, as well as non-University related charitable and professional development activities, shall not be deemed a breach of this Agreement, provided such activities do not interfere with the services required to be rendered to the University under the provisions of this Agreement, Part III of Chapter 112 of the Florida Statutes: Code of Ethics for Public Officers and Employees, and applicable regulations or policies of the Board of Trustees or University.
- 2.3 The President shall not knowingly engage in any activity that may be competitive with or adverse to the best interests of the Board of Trustees or the University.
- 2.4 During the Presidential Appointment Term, the President shall seek approval from the Board prior to agreeing to serve on any boards of directors or engaging in outside employment, business or professional activities subject to the provisions of University regulation or policy. Any and all income or other compensation earned by the President in connection with approved non-University outside activities shall be paid to and retained by him, and such income or other compensation shall have no effect on the amount of salary, compensation, or benefits he is otherwise entitled to receive under this Agreement.
- 2.5 During the Presidential Appointment Term, the President shall perform the duties of president for all existing and future campuses of the University, and for and at such other place or places as the Board deems appropriate for the interests, needs, business, or goals of the University.

## **3.0 Presidential Appointment Term; Evaluation; Renewal**

- 3.1 Presidential Appointment Term. The appointment as President ("Presidential Appointment Term") commenced on July 7, 2014 and ends on July 6, 2021. This appointment and the Agreement are renewable by mutual written consent of the parties. This appointment and this Agreement is subject to prior termination as provided for in this Agreement, and by the applicable laws of the State of Florida, the regulations and policies of the Board of Trustees, the University, and the Florida Board of Governors.

- 3.2 Goals and Objectives While Serving as President. Before June 1 of each year, the President will provide the Chair of the Board of Trustees ("Chair") with a list of proposed goals and objectives for the upcoming fiscal year. The proposed goals and objectives shall be related to, and in furtherance of, the University's strategic plan goals, work plan and accountability report, and the Board of Governors' strategic plan and performance funding model, and other priorities as established by the Board of Trustees or the Board of Governors. The goals and objectives are to be presented to the Board for discussion and approval. The Board and the President may agree to revise the goals and objectives as necessary during the fiscal year.
- 3.3 Annual Evaluation While Serving as President. While the President is employed as president, the President shall initiate the evaluation process for the prior fiscal year ending June 30 of such year by preparing a self-appraisal of his performance for submission to the Chair and evaluation by the Board, its designee, or both, in accordance with directives, policies and procedures established by the Board as the Board may deem appropriate. The President will furnish any additional information requested by the Chair to aid the Board in its annual performance review of the President. Pursuant to Board of Governors Regulations, the Chair will solicit input from the Chair of the Board of Governors during the evaluation process. The Board will complete the annual evaluation and make any compensation award under Section 5.3.

#### **4.0 Salary**

- 4.1 **Base Salary.** As compensation for all services rendered by the President as president pursuant to this Agreement, the University will pay the President according to the pay plan for Executive Service employees, an annual base salary of Four Hundred forty-one thousand seven hundred ninety-seven dollars (\$441,797) as of July 7, 2020 ("Presidential Base Salary"), of which a maximum of Two Hundred Thousand Dollars (\$200,000) can be paid for with state funds. This amount shall be paid in accordance with the University's standard payroll practices, with appropriate deductions for taxes and benefits. The President shall be responsible for any income tax liability incurred as a result of this Agreement.
- 4.2 **Increase to Presidential Base Salary During Annual Evaluation.** Effective with the Board's evaluation of the President's performance for the July 1, 2019 to June 30, 2020 fiscal year and continuing each year thereafter while he serves as president, the President's salary shall be reviewed annually for increase by the Board in conjunction with the Board's evaluation of job performance, as set forth in Section 3.3 of this Agreement. The President shall each year also be eligible for any salary increase generally applicable to University employees in his employment classification, but in no event



shall the Base Salary increase be less than Three and One-Half Percent (3.5%) of the prior year's Base Salary.

## **5.0 Other Compensation While Serving as President**

5.1 Insurance, Annual and Sick Leave. While serving as president during the Presidential Appointment Term, the President shall receive leave and other usual and customary benefits equal to those provided to Florida Polytechnic University Executive Service employees, except as provided in this Agreement.

5.2 Intentionally Deleted.

5.3 Effective with the Board's evaluation of the President's performance for the July 1, 2019 – June 30, 2020 fiscal year and continuing each year thereafter while he serves as president, the President shall be eligible for performance compensation as follows:

5.3.1 Performance Compensation. The President shall be eligible for performance compensation as a percent of his annual base salary then in effect. However, if the President receives an overall evaluation of "Achieved" or higher from the Board in his annual evaluation, the amount shall be not less than Twenty Percent (20%); if the President receives an overall evaluation of "Exceeded" or higher from the Board in his annual evaluation, the amount may be increased, not to exceed Thirty Percent (30%) of the annual base salary. The award of performance compensation shall be awarded based on the Board's assessment, in its sole and absolute discretion, of the President's performance as President during the fiscal year under review. In making its determination, the Board shall consider the President's achievement of the annual goals and objectives set pursuant to Section 3.2, the evaluation results pursuant to Section 3.3, and/or other criteria set by the Board prior to the start of the evaluation period and provided to the President in writing. The President shall receive such award if he remains as President through the end of a fiscal year for which performance is determined even though the award is determined later. Any performance compensation awarded shall be paid to the President within 90 days of the date on which it is awarded.

5.3.2 Intentionally Deleted.

## **6.0 Annual Appropriation and Source of Funding**

- 6.1 The performance of the University of any of its obligations under this contract shall be subject to and contingent upon the availability of funds appropriated by the legislature for the current and future periods.
- 6.2 While the President is serving as president during the term of this Agreement and contingent upon the availability of funds, the Board shall not be responsible for, but authorizes this compensation arrangement and shall use its best efforts to cause the Florida Polytechnic University Foundation, Inc. ("Foundation") to contribute to the University the portions of all payments provided for in this Agreement that exceed the limits set forth in Florida Statutes Section 1012.975. The Board further authorizes the use of the University's auxiliary funds to pay for the President's compensation which exceeds the limits set forth in the statute.

## **7.0 Other Benefits**

- 7.1 The President is eligible for all applicable State of Florida and University developed benefits and perquisite programs as authorized by the legislature or other authorized governing bodies. The Board further agrees that while serving as president, the President is entitled, at all times, to the state sponsored life insurance benefits applicable to Executive Service personnel.
- 7.2 Supplemental Retirement Benefit. During each year of the Presidential Appointment Term and while serving as president, the President will receive and reserve on a quarterly basis, in addition to his base salary, fifteen percent (15%) of the President's annual base salary which shall be used to establish a supplemental retirement benefit in a form reasonably acceptable to the President, such as an annuity or other tax deferred product to supplement his retirement. The FPU Foundation will contribute the sum required to fund this retirement benefit or, if permitted, the sum will be paid, in whole or in part, with University auxiliary funds.
- 7.3 Business/Travel Expenses. During the Presidential Appointment Term and while serving as President, the University will cover the cost of the President's reasonable business expenses, including professional dues, meetings, business travel, and entertainment. In addition, when the President's spouse travels with him on University-related business while he is serving as President, the FPU Foundation shall cover the cost of her reasonable travel expenses for travel serving a bona fide business purpose. Funding for spouse travel is only authorized in conjunction with the President's travel outside of the University service area.



## **8.0 Housing**

- 8.1 The University deems it to be in its best interest that the President, while serving as President, is required to reside as a condition of his employment in the University's Presidential Home, and to the extent reasonable, to use the residence in the performance of his duties hereunder including, but not limited to receptions and meetings benefiting the University. The University is responsible for providing utilities, maintenance, service fees, internet and television service for the Presidential Home.

## **9.0 Automobile**

- 9.1 During the Presidential Appointment Term and while serving as president, the University or the FPU Foundation will provide a flat monthly automobile allowance in the amount of \$850. The allowance will cover all automobile related expenses including, but not limited to, gas, maintenance, and repairs. The University will reimburse the President when he rents a vehicle for purposes of traveling long distance for University business.

## **10.0 Professional Dues, Meeting and Entertainment**

- 10.1 During the Presidential Appointment Term and while serving as president, the Board will authorize and provide for the President's reasonable expenses related to his joining and participating in University-related social, professional or service organizations and activities. The Board may fulfill this obligation through the use of available FPU Foundation funds.

## **11.0 Expense Receipts and Documentation**

- 11.1 The President agrees to maintain and furnish to the Controller an accounting of reimbursable expenses and membership dues and fees provided for in this Agreement in reasonable detail and consistent with University policies, standards, and procedures and applicable State law on no less than a monthly basis, or as requested. Following the President's submission of an accounting, the University shall promptly reimburse the President for such expenses, membership dues and fees in accordance with University policies, standards and procedures and applicable State law.

## **12.0 Termination of the Contract for Cause**

- 12.1 Notwithstanding anything in this Agreement to the contrary, the parties agree that, upon a vote of two thirds (2/3) of the Board of Trustees, the Board may terminate this Agreement at any time for "just cause" (as hereinafter defined).

- 12.2 "Just cause" shall be deemed to include, but shall not be limited to:
- (i) a deliberate or material violation by the President of the Duties or his refusal or unwillingness to perform the Duties in good faith, during his full business time, or to the best of his abilities if, within thirty (30) days following the President's receipt of the written notice of what the Board considers to be the violation, the President fails to cure the same;
  - (ii) materially harmful neglect of essential responsibilities of the President's duties; (iii) material dishonesty or serious misconduct that adversely affects the University; (iv) the commission of any felony or of a misdemeanor involving moral turpitude; or (v) a material, significant, or repetitive breach of this Agreement.
- 12.3 In the event of termination for "just cause" by the Board, the President's employment with the University shall cease. The Board's obligations under this Agreement in such event shall be limited to: (a) the prorated payment of his salary through the date of termination; (b) the payment of any performance compensation or supplemental retirement benefit that is awarded and/or due, though unpaid as of the date of termination; (c) the payment of accrued and unused leave through the date of termination in accordance with University regulation; and (d) the payment of any unpaid reimbursable business/travel/relocation expenses incurred prior to the date of termination and documented by him in accordance with University procedures. The President shall not be entitled to any further employment, compensation or benefits from the University in any capacity except for benefits required to be continued by law.

### **13.0 Termination Without Cause**

- 13.1 Notwithstanding anything in this Agreement to the contrary, the parties agree that upon a vote of two thirds (2/3) of the Board of Trustees, the Board may terminate the Agreement at any time prior to its term expiration without cause, provided that the President is given thirty (30) days prior written notice of this issue coming before the University's Board of Trustees. Upon receiving notice from the Board, the President may waive any portion or the entire notice period at his discretion and terminate earlier.
- 13.2 The President may terminate the Agreement at any time prior to its term expiration without cause, provided that the President gives ninety (90) days prior written notice to the Board of Trustees. Upon receiving notice from the President, the Chair may waive any portion or the entire notice period at his/her discretion and terminate earlier.



## **14.0 Professorial Appointment**

- 14.1 If the President is terminated without cause or resigns from his position as president and chooses to join the teaching faculty of the University upon conclusion of his presidency, he will be eligible for sabbatical leave of one calendar year commencing immediately after his employment as president ends and prior to joining the University's faculty. Prior to beginning any sabbatical leave, he will have committed to fill a faculty position at the rank of "Full Professor" or other mutually agreeable faculty position. Upon conclusion of the sabbatical, if taken, President's teaching, research, and service responsibilities will be substantially equivalent to similarly situated faculty positions.
- 14.2 During this first year post-presidency, the President's initial 12 month base salary, whether on sabbatical leave or serving as Professor ("initial base salary as a Professor"), will be 90% of his final annual base salary as President, not to include any deferred compensation or performance incentive payment. During his second year post-presidency and for the balance of the Presidential Appointment Term, his 12 month base salary as a Professor will be 90% of his initial base salary as a Professor, and he will be eligible for any salary increments provided to regular, full-time faculty members. Usual faculty and administrative processes will determine such salary increments. While on sabbatical, if any, and while serving as a Professor, he shall receive leave and other usual and customary benefits equal to those provided to University Faculty members.

## **15.0 Termination due to Resignation, Death or Disability**

- 15.1 Notwithstanding anything in this Agreement to the contrary, this Agreement shall terminate upon the President's resignation from employment at the University, death, or "permanent disability" (as hereinafter defined). Such termination shall be deemed to have occurred for "just cause" and the President's employment with the University shall cease, and he shall not be entitled to any further employment, compensation or benefits from the University in any capacity except for compensation as provided in Section 12.3 and for benefits required to be continued by law. For purposes of this Agreement, "permanent disability" shall be defined as the President's inability to perform the applicable job duties for a minimum of six (6) continuous months.
- 15.2 In the event of the President's death during the term of this Agreement, his spouse or, if none, his estate, shall receive all accrued benefits as of the date of his death to the extent permitted by law.

## **16.0 Non-binding Mediation**

- 16.1 The Board and the President agree that if any dispute arises concerning this Agreement, they will first attempt in good faith to resolve the dispute to their mutual satisfaction. If they are unable to do so, the Board and the President agree that they will submit the dispute to non-binding mediation in Lakeland, Florida, in accordance with the Employment Arbitration Rules and Mediation Procedures of the American Arbitration Association then in effect. The Board and the President will use their best efforts, to the extent permitted under Florida law, to keep any disputes and any efforts to resolve disputes confidential, informing only their respective legal counsel and other persons determined in good faith to have a need to know. To the extent permitted under Florida law, they will use their best efforts to ensure that such persons do not further disclose any such information. The Board and the President agree that no mediator or arbitrator may have any material ongoing relationship with the University.

## **17.0 Notice**

- 17.1 Unless and until changed by a party giving written notice to the other, the addresses below shall be the addresses to which all notices required or allowed by this Agreement shall be sent:

**If to the Board:**

Chairperson  
Florida Polytechnic University Board of Trustees  
Florida Polytechnic University  
4700 Research Way  
Lakeland, Florida 33805-8531

With a copy to:

General Counsel  
Florida Polytechnic University

4700 Research Way  
Lakeland, Florida 33805-8531

**If to the President:**

\_\_\_\_\_  
\_\_\_\_\_



## **18.0 Entire Agreement: Modification**

18.1 This Agreement constitutes the entire understanding of the parties and supersedes any and all prior or contemporaneous representations or Agreements, whether written or oral, between the parties. There are no other promises, understandings, obligations, inducements, or considerations between the parties or owed by either party to the other that are not set forth in this Agreement.

18.2 This Agreement cannot be changed or modified unless accomplished in writing and signed by the parties.

## **19.0 Severability**

19.1 The terms of this Agreement are severable, meaning that if any term or provision is declared by a court of competent jurisdiction to be illegal, void, or unenforceable, the remainder of the provisions shall continue to be valid and enforceable to the extent possible.

## **20.0 Governing Law and Forum**

20.1 This Agreement shall be interpreted and construed in accordance with the laws of the State of Florida, excluding choice of law rules.

20.2 Notwithstanding any other terms and conditions of this Agreement, either party may bring an action for the sole and limited purpose of enforcing the terms and conditions of this Agreement in any court of competent jurisdiction. Venue shall be in Polk County, Florida.

## **21.0 Understanding of the Agreement**

21.1 Both parties represent that they have thoroughly read this Agreement, that they understand it to be a binding contract, that they understand each provision, term, and condition of this Agreement as well as its legal effect, and that they have signed the Agreement voluntarily and of their own free will with the intention to comply with its terms. Both parties have participated in the preparation of this Agreement. Therefore, the Agreement shall not be construed against or in favor of either party based upon which party was responsible for the drafting of the Agreement.

## **22.0 Public Disclosure of the Agreement**

- 22.1 Both Parties agree and acknowledge that this Agreement is subject to the Florida public records laws and may, therefore, be subject to disclosure by and in the manner provided by law.

## **23.0 Waiver**

- 23.1 No delay or failure to enforce any provision of this Agreement shall constitute a waiver or limitation of rights enforceable under this Agreement.

## **24.0 Assignment**

- 24.1 This Agreement is not assignable, but shall be binding upon the heirs, administrators, personal representatives, successors, and assigns of both parties.

## **25.0 Execution and Counterparts**

- 25.1 This Agreement may be executed in counterparts and by the parties on separate counterparts each of which, when so executed, shall constitute but one and the same instrument.

## **26.0 No Trust Fund**

- 26.1 Nothing contained in this Agreement and no action taken pursuant to the provisions of this Agreement shall create or be construed to create a trust of any kind. To the extent that the President acquires a right to receive payments from the University, such rights shall be no greater than the right of any unsecured, general creditor of the University.

## **27.0 Taxes**

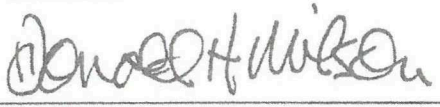
- 27.1 The President understands that the services to be rendered by him under this Agreement will cause him to recognize taxable income, which is considered under the Internal Revenue Code of 1986, as amended, and applicable regulations thereunder as compensation income subject to the withholding of income tax (any social security or other employment taxes). The President hereby consents to the withholding of such taxes as are required by law. All sums payable to the President under this Agreement will be reduced by all federal, state and other withholdings and similar taxes and payments required by law.

## 28.0 Miscellaneous

- 28.1 The headings in this Agreement are for convenience only and shall not be used in construing or interpreting this Agreement. The terms "Board," "Board of Trustees" and "University," where applicable or appropriate, shall include or refer to any duly authorized board, committee, officer, or employee of said entity. Whenever the context requires, the masculine shall include the feminine and neuter, the singular shall include the plural, and conversely.
- 28.2 General Cooperation Covenant. Without limitation of the obligations specified in the Agreement and applicable University rules, regulations, policies and procedures, the President agrees to cooperate fully in any review or investigation involving University matters in which he may possess pertinent information. This obligations shall survive the expiration or earlier termination of this Agreement.

THEREFORE, Dr. Randy Avent, President, and Donald Wilson, Chair and authorized representative of the Florida Polytechnic University Board of Trustees, have executed this Agreement on the dates appearing below.

**Florida Polytechnic University Board  
of Trustees**

  
By: Donald Wilson  
Chairperson

Date June 23, 2020

**President**

  
Dr. Randy K. Avent

Date 6/23/2020

Florida Polytechnic University  
Governance, Audit, and Compliance Committee  
Board of Trustees  
November 7, 2024

Subject: Immediate Past President's Compensation Bonus

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**Proposed Committee Action**

Recommend approval to award the immediate past President a performance compensation bonus in the amount of \_\_\_\_% to the Board of Trustees.

**Background Information**

Pursuant to the President's employment agreement and the Board of Trustees Policy on Annual Review of the President, the Board of Trustees must, after conducting an annual review and assessment of the President's performance determine whether to award a bonus/performance compensation.

The Governance, Audit, and Compliance Committee is responsible for making a recommendation as to the immediate past President's Compensation bonus to the full Board.

The President's Employment Agreement provides the following:

**5.0 Other Compensation While Serving as President**

5.3.1 Performance Compensation. The President shall be eligible for performance compensation as a percent of his annual base salary then in effect. However, if the President receives an overall evaluation of "Achieved" or higher from the Board in his annual evaluation, the amount shall be not less than Twenty Percent (20%); if the President receives an overall evaluation of "Exceeded" or higher from the Board in his annual evaluation, the amount may be increased, not to exceed Thirty Percent (30%) of the annual base salary. The award of performance compensation shall be awarded based on the Board's assessment, in its sole and absolute discretion, of the President's performance as President during the fiscal year under review. In making its determination, the Board shall consider the President's achievement of the annual goals and objectives set pursuant to Section 3.2, the evaluation results pursuant to Section 3.3, and /or other criteria set by the Board prior to the start of the evaluation period and provided to the President in writing. The President shall receive such award if he remains as President through the end of a fiscal year for which performance is determined even though the award is determined later. Any performance compensation awarded shall be paid to the President within 90 days of the date on which it is awarded.

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**Supporting Documentation:** N/A

**Prepared by:** David Fugett, VP and General Counsel