



Strategic Planning Committee Meeting
Draft Minutes
Wednesday, June 14, 2006

Nancy Blosser, Chair of the Strategic Planning Committee, convened the meeting at 9:09am with the following Board of Trustee members present:

Trustees William Bryant, Armand Grossman, Rajendra Gupta, Roy Levow, Sherry Plymale, Robert Stilley, Norman Tripp. Trustees David Feder and Lalita Janke participated by conference call.

Absent: Trustees Scott Adams, George Zoley.

The following university officials participated:

Frank T. Brogan, President; John Pritchett, Provost; David Kian, General Counsel; Lawrence Davenport, Executive Vice President of University Advancement and Executive Director of FAU Foundation; Jennifer O'Flannery, Chief of Staff; Tom Donaudy, Associate Vice President and University Architect;.

SP: A-M. Approval of the Minutes

A motion was made and seconded to approve the Minutes of the April 19, 2006, meeting. **The motion passed unanimously.**

SP: A-1. Boca Raton Community Hospital Agreement

Mr. David Kian gave the background of the Boca Raton Community Hospital (BRCH) Agreement. In January 2005, the BOT approved a memorandum of understanding for a transfer of properties that will enable the BRCH to build a replacement hospital on the Florida Atlantic University's Boca Campus. This hospital will serve as a teaching hospital that will house FAU's medical education programs. Approval was attained from the Florida Board of Governors for the expansion from a two year academic affiliation with the University of Miami to a full four year regional campus of the University of Miami (UM) which will be called, The University of Miami Miller School of Medicine at Florida Atlantic University (UMMSOM). Three part negotiations were entered into with UM, and BRCH for the development of the academic affiliation agreement which was finalized and approved by FAU's BOT in January 2006. The last piece of the project was the land lease. The original concept of a land swap, where FAU would provide acreage to the BRCH and BRCH would provide acreage near FAU campus was not feasible. It was suggested and ultimately agreed that the arrangement would be modified into a traditional lease agreement or cash arrangement. This would enable FAU to take the cash and build vertical parking garages which would free up surface parking that is presently on campus and is projected for the future in the master plan. This would help to recapture at least of

the acreage lost to the BRCH lease. Mr. Tom Donaudy is developing a master plan with the parking garages that reflect how FAU would be able to free up the acreage.

It was agreed upon that the acreage needed to be a continuous parcel with easy public access. The southeast corner of the Boca Raton Campus at the intersection of FAU Boulevard and Glades Road would best meet the criteria. Outside consultants were engaged to determine a fair compensation value for the acreage. The fair compensation value was then discounted by both parties due to the fact that this was not a sale but a partnership. It was ultimately agreed that a final fair compensation amount of \$21.25 million in present value over ten years. A small initial payment will be made in 2007; \$10 million will be paid in 2008, when BRCH commences construction. Another \$10 million will be paid at the opening of the new hospital in 2011 with annual installments made thereafter until it is paid in full. FAU is subleasing 38 acres to BRCH. The duration of the FAU's master lease with the state of Florida is 67 years. There is a one time option to extend the term up to 99 years or whatever term FAU is granted by the State of Florida.

BRCH will construct at its sole expense an approximately 550 bed hospital that will serve primarily as a teaching hospital for FAU's medical education programs. A key component of the lease agreement is the Plan approval. FAU will have the right to review plan specifications of BRCH's proposed hospital for five components:

1. consistency with FAU's Master Plan
2. the impact on FAU's utilities, water, sewer, and traffic infrastructure
3. building code compliance
4. general design characteristics and compatibility with university architecture
5. consistency with a plan of medical education specifications that sets forth the minimum requirements necessary to serve FAU's medical education programs. FAU and University of Miami (UM) will participate in crafting the medical education specifications.

BRCH has agreed to be responsible for constructing utilities, drainage, and traffic infrastructure improvements to minimize the impact of the hospital on the rest of the campus. FAU is in the process of amending its Campus Master Plan to accommodate this structure which will require FAU to amend its development plan with the City of Boca Raton. BRCH will compensate any cost that FAU incurs during this process. The use restrictions in the lease requires BRCH to use the premises to construct and operate a community-university affiliated teaching hospital, which will serve as the primary teaching hospital for FAU's medical education programs. FAU's medical education programs specified in the lease as including UMSD at FAU as well as any future medical education affiliate of comparable quality to UM. BRCH has certain accreditations and membership standards specified in the lease. They must provide FAU sufficient access to the facilities for the use of FAU's medical education programs.

BRCH has requested and FAU has agreed to include a purchase option in the lease. FAU cannot technically grant the purchase option because it is not the university's property to sell. FAU has agreed that in seeking the approval of the Florida Cabinet for the sublease which is required under FAU's master lease, FAU will simultaneously ask the Cabinet to approve a purchase option for BRCH. BRCH will not be able to acquire fee title from the State of Florida until after

the completion of construction. BRCH can only acquire the fee title on the lease if they are not in default of the lease and provides FAU full payment of all outstanding rent and a Declaration of Restrictive Covenants is recorded that matches the use restrictions in the lease and runs with the land.

In the event that BRCH exercises purchase option and take title to the property and FAU discontinues its medical education programs, if BRCH decides to make different use of the property other than a teaching hospital the purchase option and the restrictive covenant require that BRCH provide FAU an opportunity to repurchase the property. FAU may repurchase the property at a fair compensation amount to be determined in a manner consistent with that used to determine the rent value. Under both the lease and the Restrictive Covenant there are dispute resolution clauses. All disputes will be resolved through an alternate dispute mechanism involving three neutral experts in the fields of healthcare, law, and medical education.

Mr. Kian assured the BOT that the lease provided to the full Board in the back-up for the Board Meeting would be the final copy. Subject to the final resolution of the "TBDs" in the lease agreement, the administration is asking the committee make the recommendation to the BOT to approve the lease agreement. Trustee Sherry Plymale asked if the lease purchase opportunity will go to the Florida Cabinet at this time for approval. Trustee Norman Tripp clarified the BRCH did not have the right to exercise the purchase option until the hospital was complete. At that time BRCH would request to purchase the land. That request would go before the BOT and by contract the BOT would agree that BRCH has the right to purchase the land. The BOT would pass a resolution requesting that the BOT assist BRCH in the application to the Cabinet for approval to purchase the land. Mr. Kian stated that the BOT is presenting to the Cabinet the contingent right that BRCH will be able to back before the Cabinet and State they are exercising the purchase after the hospital purchase. At that time FAU will not oppose the purchase if BRCH is not in breach of contract. Trustee Tripp restated Trustee Plymale's question, of when the BOT would approve the purchase now. Mr. Kian stated that the BOT would be approving the concept now; the purchase would not take place until after the completion of the hospital and approval from the Cabinet.

Trustee Tripp explained language in the lease pertaining to where the funds from the purchase would go. The funds paid from the lease purchase would go directly to FAU. If the State of Florida required additional funds, that would be between BRCH and the State. It would not affect the compensation from BRCH to FAU. Trustee Rajendra Gupta asked the question, if BRCH wanted to exercise their option to purchase the land, who decides the purchase price. Mr. Kian responded that the Cabinet determines the purchase price of the land. FAU serving as the trustee of the state's land holding trust, would request that the purchase price BRCH would pay is not going to be greater than the lease holding price. Trustee Gupta asked if FAU was bound to give BRCH free land. Mr. Kian reiterated that FAU was bound to allow BRCH to move forward with fee transfer if they choose to. The \$21.25 million dollars FAU receives per the lease is the compensation for the land. Trustee Gupta expressed concern for the loss of land. Mr. Kian stated that depending upon the configuration and placement of the parking garages, FAU should net back a little more than half of the acreage given in the lease. Trustee Gupta expressed concern over what would happen if FAU separated from UM. Mr. Kian responded that FAU has every intention to keep the affiliation with the UM. If the affiliation agreement between FAU,

BRCH and UM is terminated, the presence of a fully functioning university affiliated teaching hospital will enhance FAU's ability to move forward with medical education programs. President Brogan reiterated that FAU plans to have a long term relationship with UM and BRCH. Trustee Tripp stated that the relationship will be so tied together with funding, programs, and the community to end a relationship would be virtually impossible. President Brogan introduced and acknowledged the BRCH Board, and expressed thanks Trustee Tripp, David Kian and everyone who assisted in getting this partnership together. Trustee Blosser expressed thanks to President Brogan, David Kian, and Trustee Tripp.

A motion was made to recommend the approval of the Ground Lease By and Between the Florida Atlantic University Board of Trustees and Boca Raton Community Hospital, Inc., in substantially the form attached hereto, subject to finalization by the President of all remaining terms.

The motion was seconded and passed unanimously.

Trustee Tripp presented President Brogan, David Kian and FAU with a key that was presented to him from Dick Schmidt Chair of the BRCH Board of Trustees.

SP: I-2. University Advancement and FAU Foundation Annual Report

Dr. Lawrence Davenport presented the University Advancement and FAU Foundation Annual Report. Dr. Davenport introduced the Chair of the Foundation Board, Dr. Ira Gelb; the Vice Chair of the Foundation Board, Ms. Betty Zinman; and the Treasurer of the Foundation Board, Mr. Thomas Workman. Dr. Davenport reviewed the members of the Executive Committee of the Foundation Board of Directors as well as the officers and the committee chairs. Dr. Davenport reviewed the highlights of the year:

- Received Major Colonial Imprint Collection from Marvin and Sybil Weiner of Boca Raton for the FAU Libraries with an estimated value of \$3.8 million.
- Received \$2 million from Office Depot for construction of new Center for Executive Education in College of Business.
- Received deferred gift of \$1 million from Peter and Susan Stein for the Sean Stein Pavilion in the College of Business.
- Received \$1 million for the Marleen and Harold Forkas Alumni Center.
- Received pledge of \$400,000 from Carole and Barry Kaye for the Great Hall in the Forkas Alumni Center.
- Sent frequent communiqués to Foundation Board highlighting achievements and developments.
- Implemented Foundation spending policy.
- Embarked on aggressive strategic plan to increase alumni participation.
- Received a large gift-in-kind contribution for the College of Arts and Letters
- Held successful Foundation Board Annual Retreat and Annual Meeting.
- Added new staff positions of Vice President for the Campaign, Director of Corporate and Foundation Relations, Director of Gift Planning, and will be adding Development Officer and Alumni Officer for Broward.

- Renegotiated University Commons lease resulting in extension of lease until 2073 resulting in a 1% increase in gross rent revenue until 2041 and 5% of gross rent revenue thereafter.
- Held meetings with prominent alumni in New York City and Washington, D.C.
- Held new alumni events for FAU Honors College, Martin and Miami-Dade Counties.
- Embarked on an extensive feasibility study conducted by John Brown Limited, Inc.
- Secured seventeen (17) new gifts of more than \$100,000.
- Contacted former Foundation Board members to begin process of re-engagement.
- FAU Treasure Coast campus raised nearly \$500,000 for the first time in its history.

The Foundation had \$8,149,237 in new gifts for the 2004-05 year and \$15,675,959 to date for the 2005-06 year. The State Matching funds for the 2005-06 year was \$4,573,037. The 2004-05 year was \$14,006,906, due to catch up, where the Florida Legislature passed for previously years funding projects were given. The Foundation will contribute a total of \$12,489,778 in expenditures on behalf of FAU in the form of salaries, wages, and benefits; general expenses; and scholarships.

Dr. Davenport reviewed the goals that the Foundation set for the year:

- To raise \$22 million in gifts in kind and actual dollars for the 2006-07 year.
- To increase the annual unrestricted dollars to \$160,000 per year for a total of \$1,000,000.
- Increase alumni participation from 2.3% to 5% which will increase the alumni contribution to 10% per year
- Increase alumni activities. The first alumni event is taking place on June 21, 2006 in Orlando and will be sponsored by Bank of America through an alumnus. Another alumni event will take place in Miami-Dade in November.
- Create new alumni chapters in Miami, Treasure Coast, and the Honors College.

Trustee Nancy Blosser thanked Dr. Davenport for taking over and reorganizing the Foundation. She requested that in the future that items brought to the BOT gave more insight as to the goals and objectives of the Foundation's future plans in order for the Strategic Planning Committee to analyze where the Foundation is in their annual report as well as fund raising goals, also to see how FAU compares to other universities with fundraising. Dr. Davenport assured that the information requested will be available at the next committee meeting in the fall as well as reiterated the goals discussed. Trustee Blosser expressed concern about the \$3.7 million that has been requested to be raised by the Foundation in the Strategic Plan. Dr. Davenport reiterated that information requested would be available at the next meeting. President Brogan commented that at the Foundation retreat there was extensive discussion of the University Strategic Plan and how it ties into the Foundation. Trustee Sherry Plymale extended thanks to Dr. Davenport, the Foundation Board and the staff of the Foundation for all the hard work being done. Trustee Armand Grossman commented that the Foundation is moving forward in a positive direction producing wonderful results for FAU under the direction of Dr. Davenport and Dr. Gelb.

SP: A-3. Presentation of 2007-08 Capital Improvement Plan

Mr. Tom Donaudy gave the presentation of the 2007-08 Capital Improvement Plan (CIP). FAU is required submit a budget request annually. A part of the budget request is the CIP. The CIP is

intended to demonstrate FAU's needs for academic and academic support facilities needed for a five year period. The Board of Governors (BOG) procedures require any proposed language for the 2007-2008 Appropriations Bill concerning the following legislative approval actions to be submitted with the initial CIP request on August 1, 2006:

1. Projects funded from external institutional sources which require general revenue for operation.
2. Projects financed with long-term debt or other long-term obligations.
3. Projects to be financed and constructed by a university direct support organization (DSO).

Mr. Donaudy reviewed last year's CIP that was approved by the BOT on August 10, 2005. FAU received funding for six of the top seven priority projects. FAU did not receive funding for the third priority project, the FAU/Scripps Joint Use Facility in Jupiter because the requests for funds were late in the year. Adjustments to the priorities were made in the revised CIP, priorities where funding was requested later in the year were lower on the list. The Capital Infrastructure Project received \$3,642,356. FAU/Scripps Project received \$2 million as well as for the Computer Center. Construction for the Computer Center is expected to begin in 30 to 90 days. Priorities five through seven on the Capital Improvement Plan (Port St. Lucie Parker Campus, FAU/UF joint use facility in Davie, general classroom/engineering building) is in the same stage in terms of design. The architectural selection process will begin shortly followed by the construction manager selection process. These projects will be in the design phase for the next three to six months. FAU received a total of \$29,951,456 of PECO funding. Other funding received was through the Facility Enhancement Challenge Grant Program. These are projects that FAU raises funds for then applies for a matching grant. Two of those projects in appropriations this year were the Alumni Center that received \$1 million and the Executive Development Center that received \$2 million. The programs for these projects have been completed, the selection process and the design will start in the next three to six months.

Mr. Donaudy highlighted the changes in the approved CIP to the CIP update that requires the board's approval. Trustee Tripp expressed concern over the change in priorities, particularly priorities fourteen and fifteen (Instructional services building renovation and the Davie III College of Business). These priorities, located in Broward have not been moved up while new priorities and priorities that were lower on the list have been moved a head of these. Mr. Donaudy explained that the change in priorities, particularly the Florida Atlantic Boulevard project which was moved from nineteen to five, was done accommodate other projects from a planning standpoint. The Florida Department of Transportation (FDOT) now has the funds to design the interchange from the north side of the campus. The development of the BRCH will put demands on the internal roadway system. President Brogan asked Mr. Donaudy to explain the Florida Atlantic Boulevard project. The Lee Street project will complete a four lane loop around campus with Glades Road incorporated. Trustee Tripp asked what changes happened in the past year that was not present before to warrant the adjustment of project priorities. Mr. Donaudy explained that Florida Power and Light (FPL) stated the need to build a new substation on the north side of campus with an electrical to accommodate the BRCH and FAU's growing needs. With the construction of the substation a duct bank is necessary. There would be a cost benefit of constructing the duct bank along the roadway as the roadway is being constructed. It

is presumed that when the traffic consultants are finished with the master plan amendment, there will be a recommendation to have the four lane roadway completed. Trustee Tripp asked what would happen to the students in Broward that need classrooms, and why aren't the Broward classrooms moved up. Mr. Donaudy stated that the priorities were not drastically changed but the Florida Atlantic Boulevard project can be reconsidered. President Brogan clarified that the first new building in Davie is now in the pipeline with planning and construction money to be built out of the next legislative session and then equipped. The second Davie building would begin as planning money is concerned in 2009-10. Trustee Plymale noted that the Davie building moved upon the CIP priority list but moved back a year. President Brogan stated it had to be moved back a year because it was not approved for funding. President Brogan stated that based on the infrastructure changes and those in planning on the Boca Raton campus that if the FAU Boulevard extension is not in the cue, there may be a lot of access roads with nowhere to go. President Brogan recommended that at the discretion of the BOT that the FAU Boulevard extension priority be dropped down the priority list.

Mr. Donaudy noted that there is a survey process that is currently being reviewed by the BOG task force. This survey process dictates what kind of space is required on campus. The first building on the Davie campus had to go by the exception to the rule to generate the space need required. President Brogan added that the university receives a bottom line amount from the BOG and can adjust the PECO request based on the amount of money. Trustee Plymale asked if FAU receives five percent of the PECO because of the bottom line amount given by the BOG. President Brogan stated that with the increase in PECO that FAU received the bottom line amount changed. Trustee Plymale referenced the 2007-08 CIP and stated that FAU needs to be conscious as to what percentage the \$37 million is of the bottom line as well as for the 2008-09 year. Trustee Plymale asked what is going to be done differently to get the \$62 million for the 2008-09 year. President Brogan responded that the projects remain the same but the amount changes because the projects go from planning stages to construction. The BOG will be heavily involved in deciding the amount of money FAU will receive. Trustee Plymale stated that FAU needs to watch what it says the bottom line amount is in comparison to what the BOG gives and make sure FAU is in accordance. Trustee Tripp asked if Dr. Joyanne Stephens, the Broward campuses Vice President, was consulted and in agreement with the adjustment of the Davie building on the CIP priority list. Mr. Donaudy responded that when the CIP was created they were trying to meet the BOG's schedule with a realistic set of numbers. If the projects are not funded that year they automatically fall back. Trustee Tripp asked if the FAU Boulevard extension can be delayed one or two years. President Brogan stated that the FAU extension can be moved down to priority fifteen and slide everything else down.

Mr. Donaudy mentioned that there are three other listings in the 2007-08 Fixed Capital Outlay Projects that required legislative approval to sell bonds. The FAU 600 bed student housing was removed from the list because FAU received the bond, construction will begin July 15, 2006. The Boca Raton campus parking garage was added authorization is required. The parking garage is included in FAU's master plan and will replace the lost parking due to the BRCH. President Brogan noted that there is a new parking garage that is being developed for the Davie campus that is being funded in partnership with Broward Community College (BCC). Construction of this parking garage should begin in early 2007. Trustee Plymale confirmed that the projects listed on the Fixed Capital Outlay Projects list pay for themselves. Mr. Donaudy

reviewed the 2007-08 Fixed Capital Outlay Project Requiring Legislative Authorization and General Revenue Funds to Operate and Maintain. All of these projects were on a previously approved list. FAU received funding for the Everglades Youth Camp of \$121,156. Mr. Donaudy reviewed the 2007-08 Fixed Capital Outlay Projects Requiring Legislative Approval Projects to be Financed and Constructed by a DSO. This was the same listing approved last year. FAU received the funding for the Alumni Center of \$2.5 million.

Trustee Tripp asked if there were any plans for Broward Campus dorms for people to come and stay. Dr. Stephens replied that based on the student mix on campus today, no. The average age of students attending classes are closer to 30 years of age, these students are married with children. FAU has talked to BCC regarding student housing and BCC completed a study that did not find the need for a traditional dorms.

A motion was made to review and recommend the approval of the university's Capital Improvement Plan and the three Capital Outlay projects as amended.

The motion was seconded and passed unanimously.

SP: A-4. Presentation of Innovation Village-KUD

President Brogan gave the background for the Innovation Village concept. A request for proposal almost a year ago to receive responses regarding the enhancement of the traditional campus life at the Boca Raton campus through a concept that expands the university's residence halls, retail and cultural events and venues, along with improved parking. The firm selected was KUD International. Trustee Armand Grossman stated that at last year's BOT retreat there was a resolution passed that the Boca Raton campus become a more traditional campus. Based on student satisfaction surveys indicated that students, future students, and parents wanted a more traditional experience. Trustee Tripp asked if the survey was conducted on all campuses. Trustee Grossman indicated the surveys were addressed to all the service areas.

Mr. Dennis Biggs of KUD gave the presentation and introduced the core component team members. Mr. Biggs relayed that KUD felt the Innovation Village will positively impact FAU's strategic goals. The goals for the Innovation Village includes: improving the students experience, promoting social and cultural interaction, creating a traditional collegiate environment, building partnerships with the community, advancing economic development, increasing FAU's visibility and image, and leveraging BRCH association to benefit FAU. Mr. Biggs discussed the impacts Innovation Village would have on FAU's system, the urban development basics, the housing benefits to FAU, and the benefits to FAU. Mr. Biggs reviewed the future housing needs at FAU. Housing needs by the year 2010 are projected to exceed four thousand new beds. Future housing needs need to allow for freshman housing as well as accommodating to faculty and staff. KUD has worked with FAU on the master plan to determine appropriate locations on campus for housing. If the project is privately developed as a not-for-profit model, excess revenues can be created. Additional housing opportunities would include on-campus condominiums. These provide investment opportunities for parents, retirement opportunities for seniors, promote social interactions and provide housing opportunities for medical and graduate students. Mr. Biggs discussed the possible locations of

the housing facilities. The financial model would reflect a land lease with the Turnberry Associates that would create revenue back to the university.

Mr. Biggs then discussed an event center. The event center would open the campus to the entire community as well as allow for major athletic events, convocations and graduation. The facility would have climate controlled, variable seating capacity of up to forty thousand. In KUD's financial model, total revenue up to \$19 million per year and operating costs around \$15-15.5 million per year. The debt services would be around \$11 million per year, taking the condominium sales and naming rights contribution to write down the debt.

The Innovation Village would impact parking on campus, KUD suggests that parking structures be built near the housing and new event center. Reserved parking spaces could create revenues as well as a parking opportunity. Parking for the conference center would be accommodated with its own business plan. Mr. Biggs discussed how FAU would pay for the component of the event center. Combined revenues from events, conference center land lease, naming rights, surplus housing, donations, and parking revenues would offset the development and operating costs. Excess funds will be put together in protection accounts to protect the owner's and bonds as well as the university. The excess funds would flow down to other university programs. The event revenue has a projected net cash flow of \$1.6 million range, contractually obligated income of a projected \$4.2 million.

Other revenues would include FAU participation, event center retail, housing surplus, and conference center land lease to total \$15.4 million in revenue to support debt. The projected debt service is projected to \$11.1 million. KUD would coordinate phasing strategy with FAU, first phase of housing to be completed and opened in 2008, the second phase of housing to be completed and open in 2009, and the third phase of housing to be completed and open in 2010. The event center would begin construction in 2008 with completion in 2010. This transaction is privatized; therefore KUD will seek third party analysis for housing demand, retail demand, events feasibility and sensitivity, and parking and traffic. There currently is a financial consultant in place that KUD will collaborate with. There are bond market and input analysis, reserve accounts, and bond insurance and rating agency scrutiny. The benefits of KUD brings to the project is Florida university system experience, local and FAU project expertise, guarantee of on-time and on-budget completion from Kajima Corporation, guaranty of debt service payment if delayed, and privately placed financing. The project would be owned by an independent 501c3 so there are no ownership ties to FAU. This project is not a Direct Service Organization (DSO) structure. Risk to FAU is limited to non-use of certain facilities. Debt service surplus accounts, maintenance accounts, debt coverage ratio, and bond insurance are protection devices that would be in place for FAU.

President Brogan stated that project is similar to BRCH lease agreement in that the concept is brought to the BOT first and asked the Board's permission to move forward. One of the major elements is a third party review, a group representing the BOT to make certain of the short and long term viability of the project. Trustee Blosser opened the floor for questions. Trustee Roy Levow expressed concern of the impact of Innovation Village on the campus and parking by placing a large facility in the core of the campus. President Brogan mentioned that everything that is being proposed is in concept, but would ultimately have to work with the long range

master plan of the university. Trustee Blosser expressed concern how the mission of FAU fits with providing housing for people who are not students of the university. Mr. Biggs responded that conceptually facility and staff would be identified primarily and expanded to other critical need areas in Palm Beach County. Trustee Plymale asked if the BOT can set up a timeline for reporting on this project. Trustee Blosser recommended that this topic should be discussed in a workshop. Trustee Tripp expressed concerns that the BOT needs to identify FAU's needs first, then go back and see what kind of revenues would be required to fulfill the needs. At the same time FAU could get an estimate of what all of these things would drive in terms of revenue and review the wish list. There is not a component of charitable fund raising; usually it is required to go out to the community to raise money to prevent usage of all of FAU's resources.

Trustee Tripp stated that FAU needs to hire a company separate of KUD who will work with FAU to analyze the market and KUD's finding and report back to the BOT. President Brogan reiterated that the Innovation Village project must be in line with the feasibility and verification study. Trustee Blosser asked if the BOT is ready to approve in concept. Trustee Robert Stilley expressed concern that there was not enough information presented for the BOT to make a decision on the information presented. Trustee Plymale stated that when the BOT established that FAU needed to become a more traditional campus some of the components of Innovation Village are necessary. Trustee Janke stated she was excited to learn more about Innovation Village. President Brogan asked if the BOT would approve the concept of Innovation Village give the opportunity to begin a more specific plan.

A motion was made to workshop the plan for the development of an Innovation Village in September, having the BOT to put their concerns to KUD after the board retreat.

The motion was seconded and passed unanimously.

Mr. Biggs requested that the questions and concerns be presented to KUD prior to the workshop, so KUD can provide an adequate response. Trustee Blosser stressed the importance of having an independent third party that is responsible to the BOT and have that party participate in the workshop.

Meeting adjourned at 12:23 p.m.