



## FLORIDA ATLANTIC UNIVERSITY BOARD OF TRUSTEES

MINUTES  
FAU BOARD OF TRUSTEES  
Boca Raton Campus  
Live Oak Pavilion  
March 21, 2003

Chairman George Zoley convened the meeting of the Florida Atlantic University Board of Trustees on the Boca Raton Campus, at 9:15 a.m. with the following members present:

Nancy Blosser, William Bryant, Jorge Dominicus, E. Llwyd Ecclestone, Fred Hoffman, Virginia Miller, Pablo Paez, Sherry Plymale, Norman Tripp, Bruce Warshal and George C. Zoley

Excused Absence: Scott Adams and Gerri McPherson

### 1. **APPROVAL OF MINUTES –**

*Handout - Minutes of January 15, 2003 meeting  
Minutes of January 31, 2003 meeting*

Correction to the minutes of the January 15, 2003 meeting. Voting for Chairman should reflect a vote of 8-5.

Discussion by Norman Tripp as to when and how many committees were set. Chairman Zoley announced five that were subsequently expanded to six after the January 15, 2003 meeting.

**A motion was made and seconded to approve the minutes from the January 15, 2003 and January 31, 2003 meetings. The minutes were approved as corrected.**

### 2. **CHAIRMAN'S REPORT – George C. Zoley, Chairman**

Chairman Zoley welcomed President Brogan to his first BOT meeting.

Chairman Zoley reported on the following items:

- The BOT committee structure he established (five standing committees later expanded to six). Purpose is to impart a more corporate approach to governance. Committee membership is subject to change.
- The FDLE investigation regarding an allegation that FAU foundation funds had been used improperly. He was first notified by President Brogan and then Interim President Osburn that an investigation was needed and asked to coordinate it with General Counsel and the Inspector General. Objections were raised as to the lack of any information being provided to BOT members (Trustee Ecclestone), and failure to notify Trustee Miller who is a member of the FAU Foundation board (Trustee Tripp). President Brogan clarified that the investigation was initiated by past Interim President Osburn, the only one who could take such action. He brought the matter to the attention of the incoming president and Chairman Zoley which began their involvement. The appropriate approach was for the matter to be handled internally. No BOT action was required.

President Brogan explained the allegation that money from the FAU Foundation somehow was utilized to reimburse the Catanese family to buy an automobile. Allegations are that persons channeled money back for reimbursement. If this is determined to be true, it also has the potential to be an illegal act and the internal investigation had to be broadened to include law enforcement.

Chairman Zoley reiterated that he was contacted by President Brogan and Interim President Osburn and he contacted the same people (General Counsel and Inspector General) that they would have contacted.

President Brogan acknowledged that the locking of offices and placing personnel on leave was a truly unfortunate situation; however it became necessary to secure information. All employees are back at the university except for one. The University is also working with the FAU Foundation on a separate issue regarding the capital campaign and has retained the services of an auditing firm. This will give us the ability to move forward and to become a stronger university as a result.

Trustee Tripp was still concerned that no one brought the pending investigation to the FAU Foundation Board. He asked if inquiries were rebuffed by the FAU Foundation.

Trustee Warshal felt it was unfair to accuse the Chairman of the Board. Warshal took it upon himself to call Interim President Osburn to validate that he was the one that initiated the investigation. It was the Inspector General who gave the authorization to seal the offices.

Jorge Dominicis and Pablo Paez support the actions of Richard Osburn, President Brogan and Chairman Zoley.

- Anonymous Letter regarding trip made to France - An anonymous letter circulated to various individuals made allegations that FAU Foundation funds in the College of Business were improperly used to finance trips to the Cannes film festival. Chairman Zoley, Counsel Felipe and Dean Bruce Mallen were named. Chairman Zoley and Ms. Felipe asked the Inspector General to investigate the matter and have turned in personal statements. President Brogan has asked the Inspector General to look into the matter and everyone has been very supportive. This investigation has been able to proceed solely under the Inspector General's office.
- Parking Decals - Chairman Zoley takes personal pride in that the Trustees now have decals for their vehicles.

### **3. PRESIDENT'S REPORT – Frank T. Brogan, President**

- President Brogan's intent is to help take the University to the next level by harnessing the genius of the faculty, staff and student body. He wants to bring closure to the investigation, come together and make sure the institution is back on track.
- The University has been very well represented in Tallahassee recently with Palm Beach County Days, Broward County Days and Indian River County Days.
- Has been working to assure appropriate support of faculty, staff and students who have reported for military duty. Wants to make sure that those needing support services have full advantage of what is offered. He has asked for an inventory of how many of our "family" have been called up. At this time there are no faculty/staff

and approximately 32 students. As a university we are standing behind our troops, be reminded though we are also a place of free speech and assembly.

- The first full President's staff meetings will be held next week.
- All Trustees are invited to attend Commencement on May 2, 2003 as part of the platform party.
- The Transition Team continues their work. Co-chairs Adam Herbert and Steven Abrams led a conference call on March 20, 2003. Team members are going through the university in a very professional way and will come back with full knowledge for strategic planning and budgetary issues.
- The process has begun for the search for an Athletics Director and a Provost. Members of the faculty, staff and administration will be involved.
- The university is close to a full agreement with Lockhart stadium. Pro Player has been very gracious in the negotiations regarding termination of their contract.
- Centers of Excellence – FAU has just qualified to gain one of the \$10 million state awards. The state was looking for proposals that had a better brokerage of partnerships. FAU will be partnering with Nova, Harbor Branch, the Smithsonian and FIU.
- Budget forecast – The \$800 plus million in state reserve growth has been revised down to approximately \$500 million.

#### **4. DEPARTMENT OF MANAGEMENT SERVICES-ONE FLORIDA – Wendell Paige**

Mr. Paige was not able to attend. President Brogan commented that as we grow we need to keep in mind the One Florida diversity model with regard to purchasing and procurement. We need to continue our efforts in data collection.

#### **5. GOVERNANCE COMMITTEE – Sherry Plymale, Chair**

The Board is currently operating under the Operating Procedures as originally established. Since we are now a constitutional body and responsible to the Board of Governors we are a new Board and will need new operating procedures.

The Governance Committee met on March 12, 2003. The committee has decided to use the existing operating procedures as a framework to build on. A manual will be created giving the role and responsibilities of the Trustees. A working model will be brought before the Board at the May 14, 2003 meeting. In redesigning, a review was made of various operating procedures at the other state universities and the procedures of the University of Florida will serve as a model. They were the most organized and easiest to understand.

Suggestions for inclusion in the operating procedures included:

Chairman should appoint all committees.

Don't make it more difficult to call a meeting.

Procedures will include a code of ethics.

Establish a pre-determined meeting schedule.

#### **6. ACADEMIC AND STUDENT AFFAIRS – Jorge Dominicis, Chair**

*Handouts- Degree Program Approval Review Summary*

*New Ph.D. Program Proposals*

*Approval to modify an existing Academic Program*

*Excess Credit Hours to Degree for Secondary Education Programs*

*FAU Secondary Teacher Education Programs at Palm Beach  
Community College*

- A. Recommendation to Implement Two New Programs; a BBA in Hospitality and Tourism Management and a Masters in Health Administration.

Chairman Zoley asked that in the future fiscal impact should be provided for all new programs.

**A motion was made and seconded to implement a new BBA in Hospitality and Tourism Management and a Masters in Health Administration. Motion passed unanimously.**

- B. Recommendation to Submit Request for Approval to Implement New Doctoral Programs to the Board of Governors to include a Ph.D. in Counselor Education and a Ph.D. in Integrative Biology.

President Brogan stressed that it is critical that new Ph.D. programs be developed to take the University to the next level of a Research University.

Trustee Warshal asked about the possibilities of developing a degree in Clinical Psychology in the future. Nova currently has a PsyD. Program, however, no public university currently has this program.

**A motion was made and seconded to submit a request for approval of two doctoral programs: Ph.D. in Counselor Education and Ph.D. in Integrative Biology, to the Board of Governors. Motion passed unanimously.**

- C. Recommendation to Modify Existing Program – Change of Name of M.A. in English/Creative Writing to M.F.A. in English/Creative Writing.

The M.F.A. is a more prestigious degree and the FAU M.A. is already equivalent to it.

**A motion was made and seconded to change the name of M.A. in English/Creative Writing to M.F.A. in English/Creative Writing. The motion passed unanimously.**

- D. Recommendation to Submit a Request for Approval of Excess Credit Hours in Secondary Education Program to the Board of Governors.

The Board of Regents began a study of time to degree. Any programs that exceed 120 hours require special approval. Education programs need enough content without compromising the methods courses. For this reason secondary education programs often exceed the 120 limit. The Provost's office went through a thorough review of curriculum with the college and school boards to meet the critical need of teachers. The recommendation should result in a better completion rate for students.

**A motion was made and seconded to submit a request for approval of excess credit hours in secondary education program to the Board of Governors. The motion passed unanimously.**

- E. Recommendation to Proceed with Offering FAU Secondary Education Programs on the Lake Worth Campus of Palm Beach Community College.

**A motion was made and seconded to proceed with offering FAU secondary education programs on the Lake Worth Campus of Palm Beach Community College. The motion passed unanimously.**

7. **AUDIT AND FINANCE COMMITTEE MEETING – Sherry Plymale, Acting Chair**

Handouts - *Consideration of Request for Approval of Increase in Housing Rental Rates*

*Consideration of Request for Fee Schedule Increase for the Karen Slattery Educational Research Center for Child Development*

*Consideration of Request for Increase in Student transportation Access Fee and Changes to Collection Procedures for this Fee*

*Resolution for Collection of Transportation Access Fee*

A. Recommendation to Increase Housing Rental Rates

Increases are likely to be seen every year at this time in step with the housing market. Trustee Tripp asked if we unilaterally increase the housing fee each year will there be opportunity to adjust downward if warranted. Are there any steps taken to minimize the increases to hold the costs in line? Are we building too expensive units?

Interim Provost Jessell responded that Housing operates as an auxiliary and the rents are still below market rents for the area. The old dorms need to be demolished because the maintenance and repair to these buildings is becoming prohibitive. Students have been a part of the discussions and process.

Pablo Paez asked the Trustees to consider the financial constraints put on the students because there is also the additional charge of a mandatory meal plan.

**A motion was made and seconded to increase the housing rental rates. The motion passed with two opposed.**

B. Recommendation to Increase Fee Schedule for the Karen Slattery Educational Research Center for Child Development.

Pablo Paez informed the Trustees that the services of this center are invaluable. Student Government has given grants to students so that their children are able to attend. Current College of Education students are used as interns, however, trained professionals must be in every classroom. Davie campus also has a child care center.

**A motion was made and seconded to increase the fee schedule for the Karen Slattery educational Research Center for Child Development and that within an appropriate time there is a reevaluation to do a study. The motion passed with one opposed.**

C. Recommendation to Increase Student Transportation Access Fee and to Change Collection Procedures for this Fee.

After discussion including representatives from Student Government, and an explanation of additional services including shuttle between campuses, TriRail connections, and shuttle to grocery and shopping, a formal resolution was presented. The transportation access fee and decal fee will be charged as one fee.

**A motion was made and seconded to approve the resolution to increase the student transportation access fee and change the collection procedure for this fee. The motion passed unanimously.**

The budget development schedule has been sent out for public notice. All members are encouraged to attend. The budget needs to be finalized before the end of the fiscal year (June 30). Chairman Zoley felt that the budget needs to reflect if the

university is on budget, i.e., have we spent too much or too little. There is no idea on a macro level if there is a problem in the colleges. This information would be beneficial when the Trustees address budget issues. Ken Jessell explained that with the new system, which will be in place July 1, 2003, a chairman can see their budget at any point in time. Financial Affairs is fully committed to working with the Board regarding budget construction. President Brogan is dedicated to the most transparent budget information possible to everyone on line.

**8. PLANNING AND DEVELOPMENT COMMITTEE – Gerri McPherson, Chair; Nancy Blosser Reporting**

*Handouts - School Board of Palm Beach County Property Transfer  
Ft. Lauderdale Museum of Art Letter – February 27, 2003  
Ft. Lauderdale Museum of Art Letter – March 19, 2003  
E-Mail to Louise Dill from President Brogan*

- A. Recommendation to Accept the Transfer of Property and Donation of a Building from the School Board of Palm Beach County to FAU for a Wellness Center.

There will be no increase in costs to the university. This is a transfer of property from the School Board. The College of Nursing has already committed funds, which are less than \$50,000/year.

**A motion was made and seconded to accept the transfer of property and donation of building from the School Board of Palm Beach County to FAU for a Wellness Center. The motion passed unanimously.**

- B. Recommendation that President Brogan Initiate Conversation with President Young of the University of Florida Regarding Transfer of IFAS Land to FAU.

The issue came before the Board a year ago to expand the operation at the Davie campus. UF alleges that we are not in compliance with the original letter of agreement so they are now looking to a partnership with Nova. President Brogan was asked to initiate conversation with President Young as to the importance of this property to FAU for future growth. It is the opinion of the committee that public land should be used for public use

**A motion was made and seconded that President Brogan Initiate conversation with President Young of the University of Florida regarding transfer of IFSA land to FAU. The motion passed unanimously.**

- C. Recommendation to not proceed with the partnership with the Ft. Lauderdale Museum of Art.

At the October 20, 2002 meeting the Board of Trustees approved a Memorandum of Understanding for merging with the Museum. This was contingent on FAU being able to secure legislative funding. Given anticipated budget constraints this is not likely in the near future. It is recommended, with great regret, not to proceed with the partnership. In the long run this is still an opportunity that needs to be pursued. FAU's presence in Broward is important.

**A motion was made and seconded to not proceed with the partnership with the Ft. Lauderdale Museum of Art. The motion passed unanimously.**

**9. PERSONNEL AND COMPENSATION COMMITTEE - Bruce Warshal, Chair**

*Handouts - Tenure recommendations for 2002-03  
State of Florida, Public Employees Relations Commission  
Recognition of United Faculty of Florida (UFF) as the Bargaining Agent*

*Resolution to recognize United Faculty of Florida  
UFF Letter from Michael Harris to John Temple*

- A. Recommendation to approve 2002-2003 Tenure Recommendations.

Twenty seven of 32 tenure recommendations were approved.

**A motion was made and seconded to approve the 2002-2003 tenure recommendations. The motion passed unanimously.**

- B. Recommendation to Recognize the FAU Chapter of the United Faculty of Florida as the Exclusive Bargaining Agent for the Faculty Bargaining Unit.

Over seventy percent of the faculty voted to keep the United Faculty of Florida as the bargaining unit for FAU. A labor relations attorney has been retained. It is his feeling that if the President and the Board of Trustees are satisfied they should accept the recommendation.

**A motion was made and seconded to recognize the FAU Chapter of the United Faculty of Florida as the exclusive bargaining agent for the faculty bargaining unit. The motion passed unanimously.**

**10. AFFILIATED ORGANIZATIONS COMMITTEE – Fred Hoffman, Chair**

- A. Recommendation to Establish Committee Oversight over the FAU Research Corporation, the Florida Atlantic Research and Development Authority and the FAU Foundation.

This is a new approach to corporate governance. Need to determine what level of oversight is needed by organization.

**A motion was made and seconded to establish an oversight committee subject to authority of the Board. The motion passed unanimously.**

- Board of Trustee's members should be represented on the Executive Committee of the FAU Foundation. Currently Trustee Miller serves in this capacity.
- FAU Research Corporation is looking into a name change to FAU Research Foundation to better reflect their focus.
- The Research Development Authority hoped to present a recommendation that the Board of Trustees give support to go forward with a lease agreement for the Florida Atlantic Research Park at Deerfield Beach. More information is needed.
- Objectives for the authority involve research and development between the proposed tenants and FAU that benefits faculty and students, as well as community, the nation and the developer.
- The Committee is proposing to establish a Technology Review Committee to advise on tenants for the FAU Research Park. This would include an agreement with the developer that decisions of the committee can be overturned with a 5-2 vote of the Authority. Other means to evaluate tenants such as the developer establishing a pool of experts were discussed.
- The lease with Deerfield Beach still needs to be worked out with regard to appraisal of the value of the land and any escalator clauses that might be included. The City

of Deerfield feels they have a tight timeline with a willing tenant. The intention is to move forward, however more information needs to be forthcoming.

- Vice President Larry Lemanski was asked to provide a complete inventory of the tenants at the FAU Research Park to include fiduciary relationship with FAU; any research partnerships with FAU; best estimate of the strength of the research, and the practices or policy and procedures that allowed them in the FAU Research Park.
- We have opportunity to bring in outside expertise to evaluate the past and proposed contracts and where we stand with research and development contracts so that all questions can be satisfied on both sides.

It is imperative that before the next meeting there is a clear understanding of the relationship between the FAU Research Park and the University; who gets in; proper system in place, research based business. A system needs to be in place to answer all questions to our satisfaction before any agreement is inked. Expectations and realizations need to come together, whatever time it takes.

## **11. OLD BUSINESS/NEW BUSINESS**

Trustee Pablo Paez was thanked for his service to the Board. Trustee Paez is graduating on May 2, 2003, so this is his last meeting. The administration will prepare a resolution in recognition of his service to the University and to the State of Florida.

Trustee Paez thanked the Trustees and gave a recap of his years at FAU.

Norman Tripp asked that President Brogan advise them regarding the letters they have all received from Dr. Stanley Dunn and Dr. Sam Smith. Dr. Dunn has been on administrative leave for two years. President Brogan has been getting briefed and will advise of the status once he has received response from Dr. Dunn's attorney, Mr. Dover.

## **12. PUBLIC COMMENT**

Mark Jackson asked that the Trustees consider paralleling the faculty committees with their standing committees. He was reminded that all faculty are invited to attend and comment at the committee meetings.

Meeting was adjourned at 1:35 p.m.