



**Strategic Planning – Audit and Finance Committees
Joint Committee Meeting
Minutes
Wednesday, June 13, 2007**

Scott Adams, Chair of the Strategic Planning Committee, convened the meeting at 9:00 a.m. with the following Board of Trustee members present:

Trustees Scott Adams, Nancy Blosser, Armand Grossman, Rajendra Gupta, Eric Shaw, Robert Stilley, Tony Teixeira, and Norman Tripp. Trustees David Feder and Lalita Janke participated by telephone conference.

Absent: Trustees Bill Bryant, Sherry Plymale, and George Zoley.

The following university officials participated:

Mr. Frank T. Brogan, President; Dr. John Pritchett, Provost; Mr. David Kian, General Counsel; Dr. Jennifer O’Flannery, Chief of Staff; Dr. Kristen Murtaugh, Vice President MacArthur Campus; Dr. Ken Jessell, Vice President for Financial Affairs; and Mr. Tom Donaudy, Vice President for Facilities.

AFSP: A-M: Roll Call and Approval of Minutes

A motion was made and seconded to approve the Strategic Planning Committee Minutes of the April 25, 2007 meeting. **The motion passed unanimously.**

AFSP: A-1: Request for Approval of the Residence Hall Naming

Trustee Scott Adams introduced Dr. Charles Brown to present the Residence Hall Naming. Dr. Brown introduced Ms. Jill Eckardt to give a brief overview. There were over eighty nominations from students, faculty, and staff for the name of the new resident hall. The name being presented to the Strategic Planning Committee to bring to the full board for approval is Glades Park Tower. **There was a motion to consider and approve the name of the newest residence hall, Glade Park Towers. The motion was seconded. The motion passed unanimously.**

AFSP: A-2. Request for Approval of the Public Hearing Process John D. MacArthur Campus Master Plan Amendment

The University Division of Facilities is requesting approval from the Strategic Planning Committee to initiate the public hearing process in accordance with the requirements of Florida Statutes. Mr. Tom Donaudy gave an overview of the MacArthur Campus Master Plan Amendment and introduced Mr. Robert Richman to give the presentation. The MacArthur campus master plan amendment is a recapturing of the Campus Master Plan development rights that were deferred to Scripps of 360,000 gross square feet to allow the permanent Scripps facility

to move forward. In addition FAU is seeking the development rights for to the gross square feet added were 200,000 square ft of laboratory space. Mr. Richmond gave a review of the campus layout and asked if there were any questions. Trustee Bob Stilley asked if the total parking spaces listed in the Campus Master Plan Amendment were for FAU and Scripps. Mr. Richmond replied the parking was only for FAU. Dr. Kristen Murtaugh added that there was a need of an additional 400 spots to accommodate the Lifetime Learning population. Trustee Blosser asked what the research building is and when it will be projected. Mr. Donaudy responded that the research building is a currently a space holder on the Campus Master Plan. The buildings may be constructed in the future provided there is funding. Dr. Levow asked of the status of recreational facilities in the Master Plan. Mr. Donaudy responded that there is a permanent soccer field, there are quadrangle spaces in the middle of campus, and the eastern end of campus. Trustee Scott Adams asked if the city of Jupiter had any concerns with the master plan. Mr. Donaudy responded the city is supportive and had some concerns regarding infrastructure, utilities, and sanitation. He added that those concerns would be addressed during public hearing process. Dr. Murtaugh commented that the students are able to use recreational facilities in the area. Trustee Adams asked if there were any additional questions. **There was a motion for the Strategic Planning Committee to approve the University Architect's Office Division of Facilities to initiate the public hearing process consistent with the requirements of Florida a Statute 1013.30 "University Campus Master Plans and Campus Developments" and FAU Associate Vice President's Policy and Procedure #22. The motion was seconded. The motion passed unanimously.**

AFSP: A-3 Request for Approval of the University's Capital Improvement Plan (CIP)

Trustee Adams introduced Mr. Donaudy to give presentation of the Capital Improvement Plan. The CIP is intended to present the additional academic and academic support facilities needed for a five year period. The State University System (SUS) requires that each university update its CIP. The Board of Governors (BOG) require any proposed language for the 2008-09 Appropriations Bill concerning projects funded from external institutional sources which require general revenue for operation, projects finance with long-term debt, and projects being finance and constructed by a university direct support organization (DSO) be submitted with the initial CIP request on August 1, 2007.

Mr. Donaudy reviewed the updated CIP PECO Project priorities that were included in the meeting background materials. The number one priority is to maintain capital renewal. FAU is no longer required to pay back for the Scripps facility therefore priority two was removed from the list. The \$2 million for the College of Arts and Letters construction project was fully funded and was also removed from the CIP. The Davie general classroom building has been moved up from item 14 to item 7. The Science and Technology Library in Boca, the General Classrooms South, the Boca Library renovation, and Social Science Building renovation have been added to the CIP as items 15, 14, 16, and 19 respectively. Items 16 the Vero Beach Partner Campus and 17 the Martin County Partner Campus were removed from the CIP because they were not consistent with the campus master plan. The Vivarium project was listed as a matching grant project last year, but will probably not receive match funding this year. Because it is a needed facility it has been added to the CIP to be a fully funded state project.

Mr. Donaudy discussed the other projects that FAU is required to raise half the funding and request matching funds from the State. This list has minor changes. Priorities 26 the School of Communications and Multi-media Studies and 27 Office Depot Center for Executive Development were fully funded last year and removed from the list. Therefore items 27 The Toppel Family Early Childhood Education Institute and 28 the Center for Philanthropy were

added to the list. President Brogan added that the Toppel gift agreement of \$3 million over a three year period has been signed. **There was a motion to approve the Capital Improvement Plan. The motion was seconded. The motion passed unanimously.**

AFSP: A-3 Request for Approval of the 2008-09 Legislative Budget Request (LBR)

Trustee Adams introduced Dr. John Pritchett to present the 2008-09 LBR. The BOG limited the amount of LBR allocation to 8% of base state budget. FAU changed its strategy to bundling items for the LBR. The President's Executive Committee has fully reviewed the items in the LBR and each initiative is cross referenced to the items of the strategic plan.

The first request is in the amount of \$2.8 million to support Goal 1, Objectives 3 and 6 which involves promoting student access and success. This includes three initiatives; to support the further development of the Center for Teaching Excellence and Student Success (CTESS), to provide mentoring program starting with students in middle school who would not otherwise aspire to attend a university, and to enhance financial aid for all students. Trustee Nancy Blosser asked if the mentoring program is general or more targeted to students for FAU's targeted degree programs. Dr. Pritchett stated that the students targeted for the mentoring program will be students who would not otherwise attend a college or university. Trustee Stilley asked how the students would be targeted. President Brogan stated that the district and the schools will assist in the identification of students. Dr. Pritchett commented that engineering department currently has this program in place. Trustee Grossman asked if Dr. Pritchett could explain the tutoring in CTES and if CTES was targeted to specific students. Dr. Pritchett stated that graduate assistants serve as tutors and students need tutoring in specific subjects are match with tutors and the tutoring is available to all students.

The second requested amount is \$9.8 million and is linked to Goal 3 Objective 1 and Goal 2 objective 5 of the Strategic Plan which involves linking cutting edge research and training partnerships to economic and workforce development. There are 3 parts to this initiative; to request full funding of the FAU-Harbor Branch Oceanographic Institution collaboration, to establish programs in Bio engineering, biotechnology and nanotechnology that take full advantage of FAU's research facilities on the Jupiter campus, and to improve graduate students benefits to recruit top graduate students. Trustee Tripp asked what has been done to get private donations for funding. Dr. Pritchett responded the Dean of the College of Engineering and the Dean of the College of Science have been key in developing this proposal as well as Dr. Murtaugh to mobilize individuals in that general area. Trustee Tripp stated that when the university is creating programs the Provost should be assisting with gaining private commitments for funding. Dr. Pritchett stated that the Provost's office will be personally involved in promoting FAU's academic programs for private support. Trustee Tripp stated that the BOT supports the initiative of the colleges, but the deans, faculty, and provost need to be fundraising for their programs. President Brogan commented that fundraising for programs is the responsibility of the entire university, but the faculty and the deans need to work diligently in promoting their colleges and programs.

The third requested amount is \$2.1 million and is proposed to support of Strategic Plan Goal 2 Objective 1 which involves initiatives addressing and meeting Florida's workforce needs. There are three initiatives to this area; funding to support workforce practitioners in Nursing education and practicing nurses, funding to support workforce practitioners in emerging technologies (i.e. Geomatics Engineering and Civil Engineering), and funding to support teachers areas of critical need (math, science, and special education). Trustee Gupta asked if there are online programs for Nursing. Dr. Pritchett commented that College of Nursing is the leader in distance learning and online programs. Trustee Adams asked if the information of online programs was available

for online. Dr. Pritchett commented that the online program information is on the schedule and the Provost's office will mark online programs with asterisks on the colleges' webpage. **There was a motion to approve the 2008-2009 Legislative Budget Request. The motion was seconded. The motion passed unanimously.**

AFSP: I-1 Division of Facilities Master Plan and Major Project Update

Mr. Donaudy gave a brief update of the major and construction projects FAU has underway. Mr. Donaudy also stated that the five Campus Master plans are being updated. Trustee Tripp asked if his division was on schedule with all projects. Mr. Donaudy stated that projects are done in timely manner, major projects are a priority. Facilities are looking at providing project updates online. Trustee Tripp asked if the projects stayed on budget. Mr. Donaudy stated the projects are done timely to help to stay on budget. Trustee Tripp asked the status on the Boca Raton Community Hospital (BRCH) planning. Mr. Donaudy stated that FAU continues to work closely with BRCH on the planning. One of the major challenges FAU and BRCH are jointly addressing is the need for more power; FAU is working closely with FPL. President Brogan stated that there are a great number of projects being conducted on FAU campuses. Trustee Tripp asked if the Facilities department have grown. Mr. Donaudy commented that the Facilities staff size has practically stayed the same over a ten year span with some areas have been outsourced.

AFSP: I-2. Overview of the 2007-08 Budget Priorities and Ties to the Strategic Plan

Trustee Adams introduced Dr. Ken Jessell to review the Capital Operating and Outlay budget and its ties to the Strategic Plan. FAU's proposed operating budget for 2007-08 is over the half billion mark for an increase of 7.6% over the 2006-07 year. Trustee Janke asked what FAU was doing to position itself in the education marketplace in view of the budget cutbacks. Dr. Jessell stated that the State only funded sixty percent of the total enrollment plan of the SUS and the amount received is approximately seventy cents on the dollar. These changes have been reflected in the budget. FAU will be monitoring future reductions. If there is not a large reduction in general revenue, it is anticipated that the state will fully fund it from the rainy day fund that has been enhanced by approximately \$500 million dollars by the Governor's vetoes. President Brogan stated that the majority of funding that comes in will be for new faculty and student support. Unfortunately, there will be no additional funding to support current faculty and staff salaries and benefits. Trustee Blosser stated she that wanted to make sure that the Strategic Planning Committee is comfortable with the prioritizations that have been given to the Operating Budget and the LBR. She added that she is delighted that student access has become the number one priority. Trustee Blosser urged the Strategic Planning Committee to look at what is in the Strategic Plan and is not addressed in the budget and programs that are being funded needs to be added to the Strategic Plan. Trustee Adams stated that the Strategic Planning Committee has already started to look at the budget and how it relates to the Strategic Plan. He stated that the Strategic Plan will change every year. Trustee Janke asked Dr. Pritchett how has the lack of funding affect the faculty. Dr. Pritchett responded that the faculty is struggling with the effects of the lack of funding along with the staff and the administration. Trustee Adams asked if there were any additional questions.

The Strategic Planning portion of the joint committee meeting adjourned at 11:10 am.

AFSP: A-14. Revised Enrollment Projections/Plan for the University of Miami Miller School of Medicine at Florida Atlantic University.

**This item was vetted at the end the Audit and Finance Committee portion of the meeting.

Dr. Michael Friedland gave the revised enrollment projections/plan for the University of Miami Miller School of Medicine at Florida Atlantic University (UMMSM @ FAU). When FAU did not receive recurring funding last year it was agreed that admission to the program would be reduced from sixty-four to thirty-two students in the event that funding was not forthcoming. The BOG staff requested that all medical education programs submit revised enrollment plans through 2001-12. Following BOG instructions, the University of Miami Miller School of Medicine at Florida Atlantic University enrollment plan is based upon expected enrollment and reflects the transition of the existing 2-year joint medical program to the BOT/BOG approved 4-year regional medical program, which, at capacity, will enroll 256 students by 2011-12. The enrollment plan is subject to BOT approval. President Brogan asked if the BOG in the process of reviewing the entire medical education profile statewide. Dr. Friedland stated that the BOG is reviewing the entire medical education profile statewide. There are a series of conferences that will be held on the topic. Trustee Adams asked why the graduates from FAU do not show up on the enrollment until 2010. Dr. Friedland stated that the first set of students from FAU will begin the program this August so four years from August these students will be enrolling in 2010. Trustee Blosser asked if the sixteen students who entered in the program in 2004-05 if they will all be graduating in 2007-08. Dr. Friedland stated that fifteen or sixteen will graduate. Trustee Blosser asked how many students will have full scholarships out of the thirty-two medical students to enter the program in the spring. Dr. Friedland stated none of the students were on full scholarship, but UMMSM offered \$5000 to \$10,000 scholarships to nearly all of the students entering the program. Dr. Friedland noted that five FAU undergraduates have been admitted to the program. **There was a motion to accept the revised enrollment plan for submission to the Florida Board of Governors. The motion was seconded. The motion passed unanimously.**

AUDIT AND FINANCE COMMITTEE

Ms. Nancy Blosser, Chair of the Audit and Finance Committee, convened this portion of the Joint Meeting of the Audit and Finance/Strategic Planning Committees at 11:10 a.m. The following Committee members participated:

Mr. David Feder (via telecom), Dr. Rajendra Gupta, Mr. Bob Stille, Mr. Tony Teixeira, Mr. Norman Tripp and Dr. Frederick Hoffman (non-voting ex-officio).

The following Board of Trustees members participated:

Mr. Scott Adams, Mr. Armand Grossman, Mrs. Lalita Janke (via telecom), and Dr. Eric Shaw.

The following University officials participated:

Mr. Frank T. Brogan, President; Dr. Kenneth A. Jessell, Vice President for Financial Affairs; and Mr. David Kian, General Counsel.

Chair Blosser noted the review that occurred during the April 25 and June 6 Audit and Finance Committee meetings on each of the following fee increase requests. In addition, she advised that Dr. Jessell had prepared and would review a 'bottom line' spreadsheet indicating the financial

impact of all fee increases being requested.

Dr. Jessell addressed Members to review the handout on tuition and fees semester impact noting the figures are based on 12 credit hours per semester for Undergraduate students and 7 credit hours per semester for Graduate students. Beginning with the basic tuition, which includes statutory fees such as the building fee, the capital improvement fee, and the financial aid fee, the Undergraduate In-State, Undergraduate Out-of-State and Graduate Out-of-State tuitions remain unchanged. An increase of 5 percent has been requested for Graduate In-State students. This increases the base matriculation fee by \$10.02 and the statutory financial aid fee by \$0.50 for a total per credit hour increase of \$10.52 for 2007-2008.

The Activity and Services fee, which funds Student Government, and the Athletics fee remain unchanged. An increase is requested for the Health Fee and Dr. Jessell noted the revision made to this request as recommended by Members at the June 7 Audit and Finance Committee meeting. This request is now limited to a one year increase of \$1.33 per credit hour and is predicated upon the creation of a Student Health Services Task Force to prepare a comprehensive report on the array of services provided by Student Health Services and the Student Counseling Center with recommendations for changes and improvements to be brought before the Committee during the 2007-2008 academic year.

The Transportation Access fee and Housing fees are semester block fees which mean they are a fixed amount for each semester. An increase of \$10 is requested for the Transportation Access fee bringing the semester total to \$60. Based upon the most common type housing FAU provides (Heritage Park/Double occupancy), the housing fee increase request is just over 2 percent totaling a semester increase of \$73.45.

A review of the collective totals followed, under the assumption that all fee increases are approved, with semester increases ranging from \$19.31 to \$25.96 for Graduate Out-of-State and Undergraduate In- and Out-of State students to \$92.95 for Graduate In-State students, excluding housing.

Mr. Kian, General Counsel, then confirmed for Chair Blosser that voting as a block on the recommendation to approve all fee increases to the full Board of Trustees is permissible. Chair Blosser identified for Members each of the following items to be included in the forthcoming vote:

AFSP: A- 5. Request for Approval to Increase Housing Rental Rates.

AFSP: A- 6. Request for Approval to Increase Student Health Fees.

AFSP: A- 9. Request for Approval to Increase the Transportation Access Fee, the Parking Decal and the Fine Structure.

AFSP: A-10. Proposal to Initiate Regulation Promulgation for Board of Trustees Established Increases in Student Fees for Academic Year 2007-2008.

Member discussion followed on voting procedure options. A motion was made and seconded to vote fee increase requests in a block format. The motion passed unanimously.

Chair Blosser then called for a motion to recommend approval of the aforementioned fee increase requests to the Board of Trustees. A motion was made and seconded.

Discussion ensued with Trustee Tripp expressing satisfaction with the processes utilized in disseminating requested fee increase dollar and impact information but frustration at the continuing, cumulative strain placed on students both financially and from a standpoint of access to higher education.

Voting commenced with five members voting for approval and one member voting in opposition. The motion passed.

AFSP: A- 7. Request for Approval to Increase Fees for the Karen Slattery Educational Research Center for Child Development.

Chair Blosser addressed this item and advised Members that Mr. Glenn Thomas was present to answer any further questions Members might have. Discussion followed to acknowledge, for the record, the receipt and due consideration of issues addressed in a letter from a student parent opposing this fee increase.

With no further discussion topics, a motion was made and seconded to approve the increase in fees for the Karen Slattery Educational Research Center for Child Development to the Board of Trustees. The motion passed unanimously.

AFSP: A- 8. Request for Approval to Suspend 2007-2008 Activity Fees for Currently Enrolled Florida Atlantic University School Students.

Chair Blosser again noted Mr. Glenn Thomas' presence to answer outstanding questions from Members. With none forthcoming, a motion was made and seconded to approve the suspension of activity fees for currently enrolled FAUS student for the 2007-2008 school year. The motion passed unanimously.

AFSP: A-11. Request for Approval of the 2007-2008 Florida Atlantic University Operating Budget.

Chair Blosser noted the review of this item at a prior Audit and Finance Committee meeting, as well as the review conducted with members of the Strategic Planning Committee earlier in this meeting.

President Brogan noted that this budget was developed without the requested 5 percent Undergraduate In-State tuition increase that the Governor vetoed. For information only, Members were advised of ongoing conversations being held regarding Governors' decision and possible future challenges to that decision.

With no other questions or comments, a motion was made and seconded to recommend approval of the 2007-2008 FAU Operating Budget to the Board of Trustees. The motion passed unanimously.

AFSP: A-12. Request for Approval of the 2007-2008 Florida Atlantic University Capital Outlay Budget.

Chair Blosser noted prior review of this item and called for questions or comments. With none forthcoming, a motion was made and seconded to recommend approval of the 2007-2008 FAU Capital Outlay Budget to the Board of Trustees. The motion passed unanimously.

AFSP: A-13. Request for Approval of the Florida Atlantic University 2006-2007 Florida Equity Reports: Enrollment, Gender Equity in Athletics, and Employment.

Ms. Paula Behul addressed this item commenting that the Florida Equity Reports on Enrollment, Gender Equity in Athletics and Employment summarize Florida Atlantic University's efforts to expand access to educational advancement and equitable opportunities to previously underserved and underrepresented student and employee populations.

Ms. Behul proceeded to review requirements provided for each section beginning with enrollment data which includes the BOT's annual certification, the policies and procedures used, documentation of FAU's non-discrimination policy, an analysis of Academic Programs, and new for this year, Student Services data.

Gender Equity in Athletics was reviewed next noting intercollegiate sports offerings, participation rates among men and women, facilities available for use, publicity and promotional initiatives, equipment availability and the need for equipment in tennis, golf and swimming/diving. Ms. Behul advised Members of the transition from the current use of Prong II compliance guidelines, which relates to the addition of sports which is not required of FAU at this time as our offerings are appropriate. Implementing Prong III is the next initiative. The guidelines of Prong III, relate to assessing interest in sports programming. To implement these requirements, in Fall 2007 a survey of athletics programming interest will be distributed to new undergraduate students; follow-up every other year is required to remain in compliance.

The presentation continued reviewing FAU's statistical data on diversity in employment practices to ensure consistency with national standards. Ms. Behul reminded Members of the importance placed on this issue in the FAU Strategic Plan and the creation of the FAU Diversity Committee to address these issues. Information provided included statistics on current and newly hired faculty, executive, administrative and managerial employees and on protected-class representation in the tenure process.

A new reporting item requests diversity composition of the individuals serving on promotion and tenure committees. The data provided reflects representation by ethnicity, gender and college. Currently at issue and a topic of continuing discussion between EOP Directors and the BOG, is the meaning of the composition information; does the diversity representation on committees affect promotion/tenure decisions and does it matter. Answers to these questions could change future reporting requirements.

Noteworthy and needing action for future equity reports is the development of a University Budget Incentive Plan. This plan requires the university to outline specific employment equity goals and the resources to fund these goals. It is recommended that each executive area annually commit to a specific monetary plan. These plans and their associated diversity accomplishments should be submitted to the President annually in March.

Ms. Behul then noted the inclusion of the Presidents 2005-06 Evaluation and continuing efforts of the Diversity Committee to address employment equity.

Brief discussion followed on verifying the diversity of employment applications to ensure that diversity goals and status are met and maintained and funding marketing issues to these goals.

With no further discussion requested, a motion was made and seconded to recommend approval of the Florida Atlantic University 2006-2007 Florida Equity Reports: Enrollment, Gender Equity in Athletics, and Employment to the Board of Trustees. The motion passed unanimously.

AFSP: A-14. Revised Enrollment Projections/Plan for the University of Miami Miller School of Medicine at Florida Atlantic University.

** This agenda item is an action item of the Strategic Planning Committee. Discussion details on this issue are included in the minutes of that Committee.

Upon conclusion of this item, Chair Blosser questioned the need for the planned Audit and Finance Committee meeting scheduled for June 20, 2007. Mr. Kian advised that to date no requests for public meetings had been received in response to the publication of the Notice of Proposed Regulation Amendment regarding the increase in tuition, fee schedule and percentage of cost for 2007-2008. The last opportunity to submit such a request is 5:00 p.m. this evening. He asked that the June 20, 2007 meeting date be held open pending conclusion of the required publication deadline after which he would send *email notification on the need to hold this meeting.

Discussions followed regarding the Board of Governors' meeting on June 14 where tuition issues and a possible challenge to the Governors' tuition veto were to be considered. Further conversations centered on developing system-wide initiatives to address the Board of Governors', the Legislature's, and the Governor's processes and formulas in meeting State University System budgetary needs.

With no other issues for discussion, Chair Blosser adjourned the meeting at 12:37 p.m.

** Update: Per Mr. Kian's email of June 14, 2007, no public meeting requests were received and therefore the June 20, 2007 meeting is not needed. Per Dr. O'Flannery's email of June 15 to the BOT, the June 20, 2007 meeting was cancelled.