



**Meeting DRAFT Minutes
Wednesday, March 21, 2007 - 10 AM
SeaTech Campus
101 North Beach Road, Rm# 250
Dania Beach, FL 33004**

Chairman Norman Tripp convened the meeting of the Florida Atlantic University Board of Trustees (BOT) at 10:00 a.m. with the following members participating:

Scott Adams, Nancy Blosser, Bill Bryant, David Feder, Armand Grossman, Rajendra Gupta, Lalita Janke, Roy Levow, Sherry Plymale, Bob Stilley, and Austin Shaw.

The following University officials participated:

Frank T. Brogan, President; John Pritchett, Provost; Ken Jessell, Vice President for Financial Affairs; Jennifer O'Flannery, Chief of Staff; David Kian, General Counsel; Tom Donaudy, Vice President for Facilities; Joyanne Stephens, Vice President of Broward Campuses.

I. Call to Order

Chairman Norman Tripp convened the Full Board Meeting at 10:00 a.m.

II. Approval of the meeting minutes.

There was a motion to approve the minutes of the January 17, 2007 Board Meeting. **The motion was seconded. The motion passed unanimously.**

There was a motion to approve the minutes for the Board of Trustees trip to Tallahassee for FAU Days, March 5-7, 2007. **The motion was seconded. The motion passed unanimously.**

Trustee Sherry Plymale asked if the March trip to Tallahassee was listed as an official meeting for the BOT. The meeting was listed as an official meeting. Trustee Tripp stated that there is a rule that if a trustee misses three consecutive BOT meetings, the chairman is required to report that to the Governor's Office. The chair has no discretion in the matter.

III. Chairman's Report

Trustee Norman Tripp presented the Chairman's Report. Trustee Tripp offered an apology to the guests of the BOT reception from Harbor Branch Oceanographic Institution regarding the coordination and execution of the event. Trustee Tripp stated his intentions for the BOT receptions are to have high end gatherings in which the trustees are able to bond and meet with the appropriate hosts and or guests. It has been expressed that the BOT is better served if they get to know each other on a personal basis so that when tough decisions need to be made each trustee can appreciate one another's viewpoint. Trustee David Feder suggested that the BOT needs to balance time and camaraderie. The meetings could be held in the day with a reception

and dinner following, rather than having the workshop, reception/dinner, and meetings spanned over two days. Trustee Tripp stated that due to the fact that FAU's service area is so broad, in order to spend time in each service area and to connect with the community meetings can not be accomplished in one day. Trustee Feder asked if it was possible to condense the meetings to dinner in the evenings and then meet the following day. Trustee Lalita Janke stated that when the trustees meet at the receptions and dinners it gives the trustees the opportunity to meet all of the educators and staff from the different campuses. Trustee Tripp reiterated that the trustees can not connect with the university if they only attend the meetings for three to four hours, listen to presentations, and then leave. These receptions/dinners are to help the trustees to identify where the need is and how they can serve the university better.

Trustee Tripp discussed FAU days. He thanked all of the trustees who participated. FAU Days included three days of events and meetings with legislators. On Monday, there were meetings with legislators and the alumni reception. Tuesday, The FAU choral group opened the Senate session. The Senate President recognized President Frank Brogan and recognized Trustee Austin Shaw for his acceptance to Oxford. Senator Atwater introduced a resolution in FAU's honor on the Senate floor. On Wednesday, there was a selection of exhibits highlighting FAU on the second floor of the Capitol. The Trustees met with more than fifteen lawmakers, including the Senate President. Trustee Tripp, Trustee Armand Grossman, President Brogan, and Mr. Tom Barlow met with Governor Charlie Crist. President Brogan met with the speaker of the House Marco Rubio.

Trustee Tripp discussed Florida Board of Governor's (BOG) relations. BOT members had lunch with Chancellor Mark Rosenburg while in Tallahassee for FAU Days. President Brogan and Trustee Tripp met with BOG members, Mr. John Temple and Dr. Zachariah Zachariah. They are FAU's local advocates. In preparation for the marketing and athletic workshops, Trustee Tripp met with Aileen Izquierdo and Craig Angelos. The workshops assisted the trustees understand where FAU was and where it is going in marketing and athletics.

Trustee Tripp will be hosting Senator Jeremy Ring and former Senator Skip Campbell for lunch. Trustee Tripp stated that it is important to build the relationship with Senator Ring who will serve FAU well. Trustee Tripp hosted a meeting and luncheon at his firm's office for Representative Adam Hasner. Both representatives covered the cost of their meals. Trustee Tripp hosted Mr. Vernon Hill, President and Chairman of the Board of Commerce Bank for a game of golf. Mr. Craig Angelos attended as well. They discussed the importance of the support of FAU athletics.

Trustee Tripp has been asked to and agreed to serve as the Honorary Chair of the Broward County African American Library's fifth anniversary celebration, scheduled for October 2007. FAU has been asked to participate in the event. Trustee Tripp met with Dr. Ken Jessell to discuss FAU budget issues. Trustee Tripp met with Mr. David Kian to discuss the forward movement of the KUD proposal. Trustee Tripp has had discussions with the Chancellor of the BOG on several issues including matters on audit and legislative issues. Trustee Tripp wants to schedule another workshop that will focus on academic matters specifically enrollment, student retention, graduation rates, academic improvement goals for the future, and increased production from staff and faculty. This workshop will coincide with Strategic Planning. Trustee Tripp encourages the BOT to focus on these academic matters setting goals for the future and possibly amending the Strategic Plan. Trustee Janke asked if Lifelong Learning will be included in this.

Trustee Tripp asked Dr. John Pritchett to do a brief report on Lifelong Learning. President Brogan commented that the workshops help the BOT and the administration to organize the information that is understandable and seek input on how to make it better.

IV. Audit and Finance Committee

Trustee Nancy Blosser reported that the Audit and Finance Committee met on February 21, 2007. One agenda item resulted in motions to come before the BOT for approval. Due to the excellent attendance at that meeting, this item was fully vetted. Provided there were no questions or further discussions the Chair set a motion for approval without a presentation.

AF: A-1. Request for Approval of Increase in Instructional Materials and Supplies Fees for 2007-08. There was a motion to approve the increase in materials and supplies fees for 2007-08. The motion was seconded. **The motion passed unanimously.**

President Brogan commented that the BOT has a commitment beyond the full board meetings and committee meetings to gain knowledge regarding the issues.

V. Strategic Planning Committee

Trustee Scott Adams reported that the Strategic Planning Committee met on February 21, 2007. One agenda item resulted in motions to come before the BOT for approval. Due to the excellent attendance at that meeting, this item was fully vetted. Provided there were no questions or further discussions the Chair set a motion for approval without a presentation.

SP: A-1. Davie Master Plan. There was a motion to recommend approval of the adoption of the Davie Master Plan. The motion was seconded. **The motion passed unanimously.**

VI. Committee on Academic and Student Affairs

Trustee Armand Grossman reported that the Committee on Academic and Student Affairs met on February 21, 2007. There were two agenda items to come before the BOT for approval. Due to the excellent attendance at that meeting, these items were fully vetted. Provided there were no questions or further discussions the Chair set a motion for approval without a presentation.

AS: A-1. Approval of Revised Enrollment Projections. There was a motion to approve the revised FAU enrollment projections for 2007-08. The motion was seconded. **The motion passed unanimously.**

AS: A-2. Limited Access Program Request for the Bachelor of Architecture. There was a motion to approve the limited access program request for the Bachelor of Architecture. The motion was second. **The motion passed unanimously.**

VII. Collective Bargaining Sub-Committee

Trustee Robert Stilley reported that the Collective Bargaining sub-committee had a meeting February 16, 2007 via teleconference out of the sunshine as is allowed by law. The sub-committee reviewed the Police Benevolent Association (PBA) Contract. It is the recommendation of the sub-committee to ratify the opened articles in the PBA contract. The PBA has already ratified the open articles in the contract. There was a motion to approve the reopened articles of the 2004-2007 FAU BOT/PBA Collective Bargaining Agreement. The motion was second. **The motion passed unanimously.**

President Brogan commented that this approval completes the collective bargaining process for this year. The next round of collective bargaining includes both the United Faculty of Florida (UFF) and the PBA. President Brogan commended the work of the representatives of the BOT as well as the representatives for the PBA.

VIII. Harbor Branch Oceanographic Institute

Trustee Tripp introduced President Brogan to discuss the proposed partnership with Harbor Branch Oceanographic Institution (HBOI). In October 2006, FAU was presented with the opportunity of a four-way partnership with HBOI, St. Lucie County and the State of Florida in marine research, ocean engineering, and pharmaceutical research. HBOI was struggling with fundraising capabilities and its endowment prospects causing a reduction in staff and programs. Both the FAU administration and HBOI officials have been reviewing and discussing ways in which HBOI would move forward in the future and maintain HBOI's international brand. The idea is to see HBOI become a permanent part of FAU as well as provide pristine acreage set aside in perpetuity for the people of Florida. This idea fell outside of the natural cycle of legislative budget requests and budget preparations at the local and state level. President Brogan showed the PowerPoint that was presented to the Florida Senate Higher Education Appropriations Committee, which gave an in depth description of HBOI.

The partnership with FAU and HBOI would be a natural one because FAU's entire region is filled with world class research facilities and activities. FAU has scientists already located on the HBOI campus. President Brogan reviewed slides of the HBOI campus, which is located on the Indian River Lagoon. The portion of the property that contains classrooms, laboratories, and the deep water harbor is approximately 125 acres. Around the HBOI property is several hundred additional acres of undeveloped, environmental sensitive land. There are a number of buildings on the HBOI campus in need of repair, due to financial difficulties and hurricane damage. If FAU acquires HBOI, there will be a demolition of buildings that have suffered considerable damage and are beyond repair and the renovation and reconstruction of other buildings on the campus that are recoverable.

The research initiatives in Ocean Engineering include FAU's SeaTech campus, The Center for Marine Materials, The Office of Naval Research, National Science Foundation (NSF), National Oceanic and Atmospheric Administration (NOAA), Navy Laboratories and the State of Florida. Collaborations within FAU would include the Department of Ocean Engineering, College of Engineering and Computer Science, Center of Excellence in Ocean Engineering Technology, and the Charles E. Schmidt College of Science. There are also other partnership and research opportunities with Scripps, Torrey Pines and Burnham as well as with public agencies such as other Florida universities and the South Florida Water Management District.

The FAU and HBOI organizational structure would include HBOI remaining intact as an FAU research institute that would be the Harbor Branch Oceanographic Institution at Florida Atlantic University. FAU would acquire the operational budget of HBOI and take on maintenance, construction, and personnel issues. There are 181 employees who will receive one-year employment status at HBOI. During that year there will be an examination of the employees to determine the employees' long-term status relative to FAU. HBOI Foundation will become a Direct Support Organization (DSO) of FAU with a full board and bylaws as well as control of the HBOI endowment. Their Foundation Board can remain the same with the exception of the

addition of two representatives from FAU. HBOI is approximately 525 acres in its entirety. The State of Florida, through Florida Forever, is interested in acquiring a portion of this property to set aside for future generations. St. Lucie County is interested in partnering with the State of Florida to purchase approximately 250 acres of the HBOI land. Approximately 125 acres would be dedicated to FAU. The remaining acreage could remain under the control of the DSO, with the stipulation that any use of the property would have to be cleared through the FAU BOT. Trustee Sherry Plymale asked if the 125 acres was deeded to FAU or deeded to the internal trust fund. Mr. David Kian responded that by statute FAU BOT can hold title to the land and it would be deeded to FAU.

President Brogan stated that there two existing loans and under the present proposal money that comes from the State of Florida for the purchase of the property by the county and the state would go to HBOI's endowment and would be dedicated to eliminating the debt. HBOI has two pots of debt of approximately \$10 million and \$12 million. The remaining \$40 million will be secured as the endowment and would continue to earn interest to be used for the enhancement of HBOI.

President Brogan reviewed the funding requirements from the Florida Legislature. FAU is requesting up to \$13 million in recurring state funding needed to cover the operational costs. They are also requesting up to \$44.5 million in one-time state funding for IRM infrastructure, on-site science expansion, site conditions and environmental issues, deferred maintenance, demolition of older damaged buildings, and construction of a new facility. It was requested of the Senate to approve the recurring state funding and to receive one time state funding to begin to demolish and renovate existing buildings. The immediate demolishing and renovation will not take \$44.5 million, more in the ballpark of \$14-15 million. In the future FAU can begin the discussion on what facilities are needed to grow HBOI.

The partnership of HBOI and FAU provides long-term benefits to the State of Florida and its citizens by preserving the environmentally sensitive land at HBOI, preserving HBOI as an internationally know research institute, enhancing opportunities for collaborations, and promoting economic development for the region and the State of Florida. President Brogan asked the BOT for an endorsement of the union of FAU and HBOI.

Trustee Tripp initiated board discussions. Trustee Rajendra Gupta asked if FAU has to pay for the 125 acres. Trustee Tripp responded that the State would pay for the 125 as a part of the partnership. Trustee Gupta asked what the \$44.5 million would cover. President Brogan commented that the demolition, renovation, deferred maintenance, and a new facility. FAU is proposing that the demolition, renovation, and deferred maintenance be addressed immediately. Trustee William Bryant had no questions or comments. Trustee Roy Levow commented that the partnership will be a good opportunity for FAU in terms of expanding research programs and bring prestige to the university. Trustee Levow offered his endorsement. Trustee Austin Shaw concurred with Trustee Levow. Trustee David Feder commented that the partnership will enhance the university. Should FAU get the financial backing from the State, it will be a good thing for FAU. Trustee Feder asked if it was possible to seek federal funding. President Brogan responded that no federal funding was being sought after at this time. Trustee Armand Grossman asked if there were currently classroom facilities at HBOI. Trustee Tripp responded that there are some existing classroom facilities at HBOI; FAU also has a point building at HBOI. President Brogan commented on the timing of the next BOT meeting to take place on the

Treasure Coast Campus in May. He stated that the legislative session will have ended and FAU will have a better idea of what will be funded towards this partnership. Trustee Grossman asked if additional classroom space will be added. Trustee Tripp asked Mr. Donaudy what the size of the building that was completed at HBOI. Mr. Donaudy stated the building is 40,000 square feet of laboratory space. Trustee Tripp reiterated that the upkeep of the current buildings have been difficult. There has to be discussion, if and when FAU receives funding from the State. President Brogan commented that the new building will not be a mirror of the old buildings it will include additional classroom space. Trustee Tripp asked if the new building would be covered by PECO funds. Dr. John Pritchett stated that FAU is trying to find alternate funding other than straight PECO funding. Dr. Ken Jessell commented that the money for the new building would be included in the \$44 million. Two approaches to the evaluation of the facility are to demolish the buildings slated for demolition and handle the deferred maintenance of the existing buildings. The alternative would be to do the complete demolition of all the buildings including the deferred maintenance buildings and to construct a new facility that would provide the appropriate space for research and teaching space. That would depend on the funding received from the State. Trustee Grossman asked how HBOI fit with SeaTech. President Brogan stated that the connectivity is in the programmatic and research aspects. Trustee Grossman asked what has HBOI done in the past. Dr. Larry Lemanski stated that HBOI has discovered new species and capability to do deep sea research. Trustee Levow noted that HBOI's deep sea vehicles are known worldwide.

Trustee Janke asked if the Johnson endowment is in agreement with the partnership between FAU and HBOI. President Brogan commented that the organizational structure was agreed upon and HBOI and its endowment and operation would continue. Trustee Janke asked how much does the endowment produce on an annual basis. President Brogan commented that the \$40 million endowment generated \$2 million. HBOI have used the corpus of the \$40 million to pay down debt. Trustee Janke asked how much money has been spent pertaining the new building. President Brogan stated that the cost was a special allocation from the State of Florida of \$11 million; it was not counted against FAU's PECO list. Trustee Janke expressed concerns for the cost of housing. President Brogan stated that the current housing needed to be demolished because of its condition. There is a potential for new construction because of the 125 acres. The new construction would fall under the umbrella of FAU's master plan. Trustee Janke asked if it would fall under the Treasure Coast Campus. President Brogan responded that the HBOI campus would fall under the Treasure Coast Campus. Trustee Robert Stilley asked how the reception was in Tallahassee. President Brogan said the reception in Tallahassee was good and the BOG is supportive.

Trustee Scott Adams asked if FAU has a handle on the cost to maintain the marine vessels of HBOI. Dr. Pritchett stated that FAU is considering divesting themselves of the marine research operations vessels. President Brogan stated that HBOI was considering divesting themselves of the marine research vehicles. Dr. Pritchett stated that the marine operations cost approximately \$1.6 million a year. HBOI is running at a half million dollar deficit. They were looking into establishing partnerships with other institutions and other groups to increase the vessel use span. HBOI's use span is currently at sixty percent, they are working on a plan to expand the use to a hundred percent. President Brogan stated that if FAU cannot make the vessel usage time a break even proposition, FAU would look at selling the vessel and leasing back the time. The first approach is to make the vessels pay for themselves by leasing the vessels to other institutions. Trustee Sherry Plymale asked if there is a lead in the House. President Brogan responded that

Stan Mayfield is the appropriations chair. Trustee Plymale asked if the recurring expenses are stand alone or is its spot in FAU's budget. Dr. Pritchett responded it is a line item in FAU's budget. Trustee Plymale asked how is the FTE that FAU can get on the HBOI campus determined. Dr. Pritchett responded that HBOI will be a research institute under FAU. The number FTE will reflect a merger of a research institute. In the future there will be a possibility of graduate and undergraduate FTE. Trustee Tripp stated that it is FAU's goal is to teach on HBOI's campus. Trustee Plymale expressed her support of the partnership.

Trustee Nancy Blosser asked why HBOI Foundation will be the only DSO like it at FAU. President Brogan stated that HBOI will be different because FAU has not set up any other DSO other than the FAU Foundation. Trustee Blosser asked if the appointees to the HBOI Foundation be from the BOT. Mr. Kian stated per Florida Statute the one appointee will be designated by the BOT and one appointee designated by the President. Trustee Blosser asked if there is any reversion clause with the endowment that Mr. Johnson can withdraw his funds if he is not happy with the partnership. Mr. Kian stated that FAU is not privy to the gift instrument that established the HBOI Foundation. The BOT would have to certify that the HBOI Foundation is operating in the best interest of FAU. As part of that certification process the BOT would do a due diligence of their articles and bylaws. Mr. Kian stated that there should not be any revert occurring because the mission of the Foundation will not change. Trustee Blosser asked if this will affect any other FAU budget request. President Brogan stated that FAU has made the case that this is a free standing issue; the other budget requests that were put into the Legislative Budget Request and the BOG's cycle are separate. If this partnership is going to work it will have to be an asset to FAU and the State University System. Trustee Blosser asked if FAU will receive credit for research dollars coming into HBOI. Dr. Lemanski answered that the partnership will put FAU closer to the \$100 million mark. The partnership will also enhance revenue streams in terms of intellectual property. Trustee Bryant asked why there is not any federal intervention in terms of grants and partnering. President Brogan stated that the Federal Government will be interested in this partnership. The State may communicate with the Federal Government about potential acquisition dollars.

There was a motion to approve, in concept, the continuing development of the proposed partnership with HBOI. The motion was seconded. **The motion passed unanimously.**

IX. Federal Research Overview Agenda

Trustee Tripp introduced Dr. Larry Lemanski to present FAU's Federal Research Overview Agenda. Dr. Lemanski defined a Congressional earmark as a specific project that legislators put it into law. There are two categories of projects, new projects and continuation projects. The projects to be funded are selected through an internal process at FAU. Individual departments submit applications to the Division of Research to be vetted working with the President, Provost, the College Deans, and the Lobbyist to determine possible earmarks. Forty-two proposals were received and consolidated to sixteen proposals. Rather than eliminate projects, projects from different colleges that were related were combined. Eight of the sixteen projects were submitted by FAU for support by the Florida Congressional Delegation. The projects that are not one of the eight earmarked are listed as "other" and may be submitted directly to the agencies. FAU has contracted with a new lobbying firm in Washington with expertise in agencies because it is going to be more difficult to get funding primarily through earmarks. Also, the money that was going to be earmarked, the agencies don't have the requirement to fund those earmarks. Agencies will have a reserve of money that needs to be distributed. FAU plans to take advantage of that.

Trustee Tripp asked if the earmarks would be considered a grant and since other universities are involved does all of the funding gets split amongst the universities. Dr. Lemanski responded that the earmarks are grants and the funding comes directly to FAU as the lead university and the other universities apply to FAU as subcontractor grants and do certain parts of the project. Trustee Tripp stated that the remainder of the presentation will be rescheduled to presented at the May 16, 2007 BOT Meeting.

X. President's Report

President Brogan introduced Mr. Tom Donaudy as the new Vice President for Facilities and Dorothy Russell as the new Budget Director. March is Women's History month, the BOT is invited to events and lectures taking place at FAU. BOG meeting will be held in Gainesville, Florida, March 28-29. The annual Broward Campus Seaside Shindig is being held on the beach at the Seatech Campus on March 30. The Pine Jog groundbreaking is going to be held on April 11. The Honors Convocation will be held on April 17, all BOT members are encouraged to attend.

President Brogan gave a brief Legislative update. The Medical Education program is in the Governor's budget, the House budget, and the Senate budget for \$4.7 million recurring funds. FAU will stay on this issue. There is still no firm number on tuition increase. The Governor has recommended zero percent increase in tuition. Based on the fact that there will be little general revenue, both chambers have begun to talk about the necessity of some form of tuition increase. Hopefully the State will fully fund enrollment growth, so FAU can continue to grow and meet its needs. The tech fee will be up to \$3 per credit hour and is still being discussed. FAU supports the tech fee if the students have a say in how the funds will be spent. The PECO funding continues to increase. FAU currently has their list and has been referred to the lobbyist of the state university system. The executive committee will be working on budget planning. There will be a series of budget workshops in line with FAU's strategic plan.

XI. Old Business

There is no old business.

XII. New Business

There is no new business.

XIII. Member Comments

Trustee Tripp acknowledged the Trustees concerns regarding the meeting start times. The meetings will begin at 9:00 am. Trustee Plymale expressed thanks to the Student Government for the goodie bags and the President's staff for the meeting arrangements. Trustee Plymale asked to see an update on the progress on FAU residency programs. She noted there was a positive article on FAU's Lifelong Learning Society in the Vero Beach Magazine. She also thanked President Brogan and Ms. Gerri McPherson for the Hometown Tour to the City of Stuart. Trustee Janke thanked all the staff that worked to coordinate FAU Days. President Brogan acknowledged and thanked the FAU choral group. Trustee Shaw commented that the students who attended FAU Days really enjoyed the experience. Trustee Shaw invited the Trustees to the Library expansion ceremonies on Tuesday, March 27. Trustee Levow commented that FAU days were an effective and positive experience. Trustee Blosser commended Mr. Tom Barlow for the organization of the appointments for FAU Days. Trustee Stilley stated that FAU needs to think outside of the box on the recruitment of students. Trustee

Grossman thanked Dr. Charles Brown for the copies of the campus newspaper. Trustee Feder asked if the campus newspaper could be included in Trustee updates. Trustee Shaw commented that the Student Government elections will be taking place March 27 and 28. Trustee Janke commended both Trustee Shaw and Trustee Levow for their hard work and contribution to the BOT.

XIV. Public Comments

There were no public comments.

XIII. Adjournment

Meeting adjourned at 12:17 pm