



Meeting Minutes
Wednesday, June 28, 2006, 10:00 am
Videoconference

Chairperson Sherry Plymale convened the meeting of the Florida Atlantic University Board of Trustees (BOT) at 10:00 a.m. with the following members participating at the following locations:

Nancy Blosser (Boca Campus), David Feder (Jupiter Campus), Armand Grossman (Boca Campus), Rajendra Gupta (Ft. Lauderdale Campus), Lalita Janke (Treasure Coast Campus), Roy Levow (Boca Campus), Bob Stilley (Jupiter Campus), and Kim Nguyen (Boca Campus). Sherry Plymale participated from the University of Alaska, Fairbanks Campus. George Zoley and Norman Tripp participated by phone.

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; and David Kian, General Counsel participated by phone.

I. Call to Order

Chairperson Sherry Plymale convened the Full Board Meeting at 10:00 a.m.

II. Approval of the meeting minutes.

A motion was made and seconded to approve the minutes of the May 10, 2006 Board Meeting. **Motion passed unanimously.**

III. Chairman's Report

Trustee Sherry Plymale presented the Chairman's Report. Trustee Plymale expressed thanks to the University of Alaska, Jeff Schilit, Doug Trabert and FAU staff who made it possible to have the videoconference meeting. There will not be a committee meeting in July and the August 16 meeting will be a committee of the whole workshop at the MacArthur campus. Summer Commencement is Friday, August 11, 2006. There will be three ceremonies: 9 am, 1 pm, and 5 pm. The BOT retreat will take place on Tuesday, September 26 and Wednesday, September 27, 2006. There will be a follow-up to last years' retreat as well as a presentation on the value of the university, a presentation on Innovation Village, and the Campus Academic Master Plans. Trustee Plymale thanked and congratulated the BOT, especially Trustee Norman Tripp and Ken Jessell for their hard work on this year's budget. Thanks and congratulations also were in order to Mr. David Kian and President Brogan for their hard work on the BRCH agreement.

IV. Strategic Planning Committee

SP: A-1: Trustee Nancy Blosser asked Mr. David Kian to give brief overview of the Boca Raton Community Hospital (BRCH) lease agreement. Mr. Kian stated that all conceptual points in the deal have been finalized. There were a few technical items that needed finalization. Parties are in agreement that FAU and BRCH committed to this transaction upon the approval of the lease by both parties. The purchase option that BRCH will obtain is not something that FAU can grant because the land is legally owned by the State. Both parties are currently working through issues, like how to define the effectiveness of the obligations that BRCH and FAU are sending, while recognizing that the State's approval through a Cabinet meeting is necessary. Outside counsel, Holland and Knight drafted a memo that identifies the changes that were made to version eighteen which was presented at the June 14, 2006, committee meeting. The final version twenty was emailed to the BOT. The memorandum identifies the non-grammatical changes that were made to the lease agreement. These were word choice changes that clearly articulated the parties' joint intention. Mr. Kian reviewed the payment stream as an example. It has always been the parties' agreement that BRCH will pay a total of \$21.25 million (present value) in rent compensation over a ten year span. The payments will be made over time and have been tagged to certain benchmarks. There are contingencies in the lease can affect the exact timing of the ground breaking and completion of construction. The payment stream was written to reflect the fact that after payments are made there needs to be a total amount of \$21.25 million summed together with the present discount rate of 7%. Trustee Blosser asked for discussion or questions for further clarification.

Trustee Blosser thanked President Brogan for leadership. She also thanked Mr. Kian, and Trustee Norman Tripp for time donated to this project. Trustee Blosser introduced Gary Strack, Dick Schmidt, and Paul Reisner from BRCH. President Brogan introduced Minor Anderson from University of Miami.

There was a motion to approve the Ground Lease By and Between the Florida Atlantic University Board of Trustees and Boca Raton Community Hospital, Inc. The motion was seconded. **The motion passed unanimously.**

Trustee Blosser invited Gary Strack from BRCH to comment. Mr. Strack stated that now that the Ground Lease is approved FAU, BRCH, and UMMSM will focus energies to make sure that the union has the most innovative and best medical education in the country. President Brogan thanked the BRCH Board and the FAU Board of Trustees for their support.

SP: A-2: Trustee Blosser introduced Azita Dashtaki to give an overview of the 2007-2008 Capital Improvement Plan (CIP). Ms. Dashtaki summarized the presentation Mr. Tom Donaudy presented at the June 14 Strategic Planning Committee Meeting. The Capital Renewal Envelope Infrastructure Project received \$3.6 million in funding. The FAU/Scripps Project received \$2 million in funding. The Computer Center received funding for additional construction. FAU received funding for the Port St. Lucie project and the Engineering project was funded at \$9.3 million. FAU received a total of \$29.9 million of PECO funding. Funding received through the Facility Enhancement Challenge Grant Program was for the Marlene and Harold Forkas Alumni Center and the Office Depot Center.

Ms. Dashtaki noted the change identifiers on the Five Year CIP and Legislative Budget Request (LBR); blue indicated a change in priority, green indicated a change in the funding year, and red

indicated a new project added to the list. Ms. Dashtaki reviewed projects requiring Legislative approval; projects that need general revenue for maintenance, projects requiring the selling of bonds, and projects that would be constructed through Direct Service Organizations (DSO).

There was a motion to approve the university's 2007-2008 Capital Improvement Plan, as recommended by the Strategic Planning Committee. The motion was seconded. **The motion passed unanimously.**

Trustee Sherry Plymale asked for clarification on an article regarding a decline in PECO funds. President Brogan explained that PECO is funded out of the gross receipt tax and that it unexplainably rises and declines over the years. The recent PECO fund trend is down and the Board of Governors is currently discussing possible variables to present to Legislature as to how to continue to fund PECO projects.

V. Academic and Student Affairs Committee

AS: A-1: Trustee Plymale introduced Dr. John Pritchett to present the FAU Enrollment Plan through 2012-2013. Dr. Pritchett stated each year the Board of Governors request FAU update enrollment targets based on demographics, high school graduation rates, and college transfer rates. The BOG will use those figures in preparing their Legislative Budget Request (LBR) this summer. FAU's projection for the 2007-2008 is more than 27,500 students. Trustee Plymale asked the committee to review the enrollment projections annually. Trustee Plymale asked if there were any additional questions or comments.

There was a motion to approve FAU Enrollment Plans through 2012-2013. The motion was seconded. **The motion passed unanimously.**

AS: A-2: Trustee Plymale asked Dr. Pritchett to present for approval the 2007-2008 Legislative Budget Request for submission to the Florida Board of Governors. In past years the BOG did not set a limit. For the 2007-2008 LBR the BOG has set a limit of 8% of the university's base budget. This equates to \$13 million for FAU. In preparation of the 2007-2008 LBR the 2006-2007 was examined to determine what was and what was not funded, as well as a review of the newly adopted strategic plan. The absolute priority on the LBR is the joint medical program with the University of Miami. Trustee Plymale asked due to the fact that Florida International University (FIU) and University Central Florida (UCF) medical school funding requests will be outside of their LBR will FAU's LBR change. Dr. Pritchett responded that FIU and UCF's medical programs are outside of their LBR primarily due to the amount. FAU has been advised by the BOG's staff to include the medical program in the 2007-2008 LBR. Trustee Plymale asked if there were any additional questions or comments.

There was a motion to approve the 2007-2008 Legislative Budget Request. The motion was seconded. **The motion passed unanimously.**

VI. Audit and Finance Committee

AF: A-4. Trustee Norman Tripp introduced Dr. Ken Jessell to present the request for approval of regulation promulgation for the legislatively established increases in student fees for the 2006-2007. Every year FAU has to develop regulation regarding increase in student fees. The only fees that were included in the documentation were those that were mandated by statute, and that

- Student Government \$ 6,678,124
- Concessions \$ 572,575

For four of the budgets: concessions, student government, auxiliary enterprises, and grants and contracts FAU is proposing continuation budgets. This includes a 3% salary adjustment for full time employees funded from these programs. The student financial aid budget increases 2.7%. This reflects in the increase in the student undergraduate situation of 3% as well as a nominal increase in enrollment for the university. FAU received funding for 419 additional full-time students (FTE). The athletics budget increased 9.7%. This is a comparison of 2005-2006 initial budget with the proposed budget of 2006-2007. If the budget amendment is taken into account to reflect guaranteed commitment, there is only an increase of 7.3%. There is a recommendation to fully adopt the budget as proposed by the Athletics department.

The largest component of the budget is the educational and general budget which had an increase of 11.5%, approximately \$24 million. Most of this is attributed to the \$5 million for medical partnership program, \$4 million funding to support enrollment growth of 419 FTE, \$2 million for program expansion at the Port St. Lucie Campus, \$2 million Challenge Grant funding, and \$5 million amendments from last year which included the 3.6% salary increase for employees.

There is a motion to approve the 2006-2007 Florida Atlantic University operating and capital outlay budget and to provide authority to the University President to amend the budgets if necessary to accommodate changes in revenues, expenditures, statutory budget changes, salary increases, health insurance increases, retirement increases, and technical amendments without the need of further Board of Trustees approval each time these modifications are made. In addition, the University President requests that the Board of Trustees grant him the authority to condition approval of portions of the 2006-2007 Student Government Association (SGA) budget related to salaries of elected and certain appointed SGA leadership positions and SGA operation expenditures associated with these positions. The approval of these portions of the 2006-2007 SGA budget should be conditioned on the University President's determination that SGA is following its constitution and statutes and has the proper checks and balances in place. Trustee Tripp asked if there were any questions regarding the overall motion and the motion at the end. The motion was seconded. The Board of Trustees will vote after the public comments.

President Frank Brogan stated that he had a meeting with the Student Government University-wide Council (UWC). There was a discussion of the events that have occurred over the past few months with SGA regarding the election. President Brogan received a verbal confirmation as well as a letter from the acting President regarding SGA's view of how the run-off election will unfold. This according to the letter and agreement, will take place in July which will allow FAU to seat the SGA President and Vice President. This process will include the appointment of a Supervisor of Elections, the appointment of an Elections Commission that would be approved by the UWC and a timeline that would carry through the month of July, where the two-day run-off election will be held.

President Brogan introduced students who wished to speak on the issue of SGA. Korrine Stephens, a graduate student in the biology department at the Boca Campus. Ms. Stephens asked the acting president what role the advising committee and the University President should have in terms of controlling SGA and what types of checks and balances should be put in place so that SGA serves the students. President Brogan commented that the unique and fragile relationship

that exists between any SGA official and the university at large. It is fragile relationship because the BOT has complete oversight of the entire university budget; there is also a day to day partnership that exists between university administration and SGA. Both the university administration and SGA has worked together to try to bring this issue to a successful conclusion.

The university administration perspective as far as the individual budget and the allocation of funds, as long as SGA is acting in accordance with the constitution and the rules laid out and approved by the BOT that is exclusively allowed to be the covenant between SGA leadership and the student organizations. Acting SGA President Kim Nguyen agreed with President Brogan's comments. Ms. Nguyen stated that her role is the elected Governor of the Boca Raton campus and the chairperson of the University-wide Council and her duties are to ensure that the student body has an elected SGA President and Vice President. President Brogan stated that any questions that any of the speakers have in reference to the day to day operations of SGA; they can contact their SGA representatives, as well as their student affairs office.

President Brogan introduced student identified as Maria. Her question was directed to Ms. Nguyen as to why she felt it necessary to appoint a chief justice. Trustee Tripp asked if the questions addressed to the BOT can be limited to the budget. Ms. Nguyen stated that the next University-wide Council meeting will be held Thursday, June 29, 2006 and questions can be addressed in open forum.

President Brogan introduced Tony Texteira to address the BOT. Mr. Texteira spoke regarding the SGA and UWC actions regarding the presidential election. Trustee Tripp, asked again if the questions can be restricted to the budget. President Brogan stated there is a motion on the floor to provide provisional approval for the SGA budget pending the successful completion of the constitutionally held election to be completed in July, any questions or comments need to pertain to that issue. Mr. Texteira asked that before the budget is allocated towards the future election to please be sure the election is fair and constitutional. He also asked if Student Affairs can be charged with the duty of running the election. President Brogan assured that it is all the parties involved intent to make certain that the election is constitutional. Trustee Tripp stated that from the BOT's point of view, the students do not want the BOT to run the SGA organization. The BOT's role is to monitor the money that belongs to all of the students until the BOT is satisfied that the students in their own process have put together the organization that is going to move forward.

President Brogan introduced Luis Green to address the BOT. Mr. Luis Green asked that the BOT approve this motion to make sure that if the election is not handled appropriately the budget authority is taken back. President Brogan thanked the students for participating. Trustee Tripp asked if there were any additional questions or comments for the BOT.

The motion passed unanimously. President Brogan mentioned that as a part of the motion he will report back to BOT as soon as the election has taken place and been certified. When that is completed, the word provisional will be removed and provide a permanent status to the budget that has been approved.

AF: A-1. Trustee Tripp introduced Paula Behul to present the request for approval of the proposed anti-discrimination and anti-harassment regulation, 5.010. Ms. Behul stated that the Equal Opportunity Program office (EOP) requests the BOT approve the anti-discrimination and

anti-harassment policy. Approximately two years ago, the Board of Education requested that each state university have an anti-harassment policy covering all federal and state protected classes. At the time, FAU had a sexual harassment policy in place, which was approved in 1999. The EOP requested the approval of an anti-discrimination and anti-harassment policy. This policy requests the EOP investigate complaints pertaining to all protected class issues; the policy outlines that there would be 75 days for completion of an investigation. In the event that the investigation requires additional work be done on the report the charging party and the respondent are notified 10 days prior to the 75th day that additional time will be necessary. The report addresses the different levels of the complaint process. There is also a reconsideration area within the policy that states, if the charging party or the respondent has any questions or additional information after the report is written they can submit the information to be attached to the report. The reconsideration area also lists that only new information or information that has not been reviewed during the investigation is submitted for review. Trustee Tripp asks if there are any questions.

There was a motion to approve the proposed anti-discrimination and anti-harassment regulation, 5.010. The motion was seconded. **The motion passed unanimously.**

AF: A-2. Trustee Tripp asked Ms. Behul to present the request for approval of the updated FAU 2005-2006 Educational Equity Act Report. This is an annual report required by the Department of Education that asks FAU to indicate how it provides services to underrepresented employees and students. The 2004-2005 report gives information on minority graduate and undergraduate students. There were more minority graduate students than in the past and undergraduate enrollment has decreased due to the stricter admission standards of the university. The report details the minority represented in faculty and the tenure promotion process. The previous reports had the names of the candidates not receiving tenure or promotion. Although these names are not published, they are submitted to the Board of Education on request. The report also indicates the president's evaluation on from November 2005. Trustee Tripp stated that this needs to highlight at the workshop in August due to the issue with the minority student enrollment. Trustee Roy Levow states that the report is a year out of date, and the BOT needs to have a corresponding report for the workshop for that highlights current year. Trustee Tripp asked if there were any additional questions or comments.

There was a motion to approve the 2005-2006 Educational Equity Act Report. The motion was seconded. **The motion passed unanimously.**

AF: A-3. Trustee Tripp asked President Brogan to present the request for approval of the report on diversity. President Brogan thanked Dr. Bryant for his leadership on this issue on behalf of the BOT for the committee. The purpose of this report is to create an accurate and up-to-date ability to demonstrate numbers of diversity at FAU at all levels. In addition to the report there are recommendations as to how FAU plans to monitor and increase minority representation in faculty, students, and staff as well as provide to the BOT an ongoing accountability based presentation of diversity efforts at FAU. Although the new admission standards are more stringent, this should not have a long term effect on the diversity of students admitted. Students who are not admitted to FAU under the new admission standards attend community college. FAU should track these students, so they ultimately attend FAU.

In regards to staff and faculty, the report is provides better insight on areas that FAU is doing well with regards to diversity and areas FAU can do better. FAU is facing impacts in areas that the entire higher education system is facing. Therefore, FAU needs to find new and innovative opportunities to increase diversity numbers. Trustee Tripp asked if there were any additional questions or comments.

There was a motion to approve the report on diversity. The motion was seconded. **The motion passed unanimously.**

Trustee Tripp asked that next year it would be helpful if President Brogan makes a report on the budget request to a joint meeting of the Strategic Planning Committee and the Audit and Finance Committee that the BOT can have clear understanding of why the budget is being done the way it is. President Brogan stated he and Trustee Blosser discussed this at length regarding developing a type of report that creates a strategic planning template for the BOT. This template will help the BOT to see what activities FAU is funding, how they fit within the strategic plan, how much they are funded for, and what FAU would request on top of that from either new money or money gleaned from greater efficiency.

VII. President's Report

President Brogan announced this summer FAU has been hosting alumni events have been held in: Washington, DC; Miami; and Orlando. The turnout has for these events have been outstanding. FAU has hit its hundredth thousand mark in degrees granted, swelling the number of alumni. President Brogan extended an invitation to the School of the Arts, summer Festival Repertoire which includes; Okalahoma, A Streetcar Named Desire, and Cole Porter's American Songbook. The performances take place in the Schmidt Auditorium and will run through the months of June and July. FAU also is hosting the City of Boca Raton's 4th of July Celebration. Summer classes have been robust in terms of enrollment, summer camps are taking place in athletics and at the Scripps Institute. President Brogan invited all to summer commencement and thanked everyone for their hard work on budget.

VIII. New Business

Trustee Tripp thanked Dr. Ken Jessell for a great job in putting together the budget and continuing to give excellent leadership in that area.

XI. Member Comments

Ms. Kim Nguyen stated that she is honored to serve as the student representative and assured the BOT the issues with SGA will be quickly resolved. Trustee Armand Grossman stated that there is a tremendous sense of gratitude to FAU from the community speaks regarding Boca Raton Community Hospital and FAU partnership. Trustee Grossman thanked Mr. David Kian and Dr. Stack. Trustee Levow stated that SGA is a critical partner to the BOT and university administration in creating and enhancing student life environment. It is his hopes that the BOT can look for ways to enhance the relationship and to try to provide a more formal mechanism to work together in making FAU the university of first choice. Trustee Blosser stated the BOT values SGA participation on the Board and encourages the elected president to take an active role on the BOT.

XII. Adjournment

Meeting adjourned at 11:43 am