



**Board of Trustees Annual Retreat Meeting Minutes
Sunday, September 20 – Monday, September 21, 2015
Harbor Branch Oceanographic Institute
5600 U.S. 1 North
Fort Pierce, FL 34946**

Chair Anthony Barbar convened the annual retreat of the Florida Atlantic University Board of Trustees with the following members participating:

Trustees Anthony Barbar, Chris Beetle, Daniel Cane, Michael Dennis, Jeffrey Feingold, Mary Beth McDonald, Abdol Moabery, Robert Stilley, Paul Tanner and Julius “Butch” Teske

The following university officials attended:

Dr. John Kelly, University President; Mr. Jorge Calzadilla, Vice President for Public Service; Mr. Patrick Chun, Vice President for Athletics; Dr. Daniel Flynn, Vice President for Research; Mr. Peter Hull, Vice President for Public Affairs; Mr. David Kian, Vice President of Legal Affairs and General Counsel and Interim CEO of the FAU Foundation, Inc.; Dr. Corey King, Vice President of Student Affairs; Dr. Gary Perry, University Provost and Chief Academic Officer; Ms. Dorothy Russell, Vice President for Financial Affairs and Chief Financial Officer; Ms. Stacy Volnick, Vice President of Administrative Affairs and Chief Administrative Officer and Interim Vice President for University Advancement; and Mr. Andrew LaPlant, Director, Board of Trustee Operations and Chief Aide.

Day 1 – September 20, 2015

Call to Order

Chair Anthony Barbar convened the annual retreat of the Board. Roll was taken and a quorum was established.

Welcome and Overview of the Retreat

Chair Barbar and President John Kelly gave a welcome and overview of the retreat to the trustees and Executive Leadership Team. They reviewed what they will be going over throughout the next two days.

Action Item: Ratification of 2014-15 FAU BOT/UFF Collective Bargaining Agreement Mid-Contract Reopeners

Mr. Kian explained that the administration and the United Faculty of Florida had negotiated several “house-keeping” revisions to reopened items in the Collective Bargaining Agreement. A motion was made and seconded to approve. Trustee Stilley asked if this should go to P&C committee first. Trustee

Teske said Mr. Kian did go over said reopeners with the P&C committee at prior meetings. **With no further discussion or changes, the Ratification of 2014-15 FAU BOT/UFF Collective Bargaining Agreement Mid-Contract Reopeners was unanimously approved.**

Action Item: November 17 BOT Meeting Date Change

Chair Barbar asked for a motion to change the BOT calendar. **He asked to move the November 17th meeting to November 10th conference call at 10 am. Motion was moved and seconded. With no further discussion or changes, the motion passed unanimously.**

Action Item: Approval of Three Namings of University Elements to Recognize Gift Items for the Schmidt Family Complex for Academic and Athletic Excellence

1. Christine Lynn \$5 million dollar gift for sports medicine facility to be named in her honor. **Motion was moved and seconded. The motion passed unanimously.**
2. Eleanor Baldwin \$1 million dollar gift for the History and Tradition Hall to be named in her honor. **Motion was moved and seconded. The motion passed unanimously.**
3. Trustee Abdol and Cathy Moabery \$500,000 gift for coach's suite to be named in their honor. **Motion was moved and seconded. The motion passed unanimously.**

Chair Barbar mentioned that Trustee Dennis gave FAU a generous gift to build tennis courts for the FAU tennis team to play on campus.

Informational Item: Update on Final 2015-16 Educational and General Budget and Plans to Investigate Refinancing Selected FAU Bond Debt

Dorothy Russell gave updates on the general budget and plans to investigate refinancing on selected FAU bond debt.

Review and Implementation of the FAU Strategic Plan

President Kelly reviewed the Strategic Plan. He said this is a turnaround moment for FAU, people at FAU and the community look at FAU differently. People speak about FAU in a more positive tone.

When money comes in non-recurring fashion, it's more difficult to plan for the future. We still need to plan aggressively.

At the BOG facilities committee, we are asking for the Jupiter/Life Sciences buildings to enhance our collaborative work with Scripps and Max Planck, and to help foster the discoveries that can lead to economic development.

Dr. Flynn went over some possibilities for the future on the Jupiter campus. We have a vision of what biomedical research will be 10 years from now.

Max Planck, Scripps, and FAU are developing collaboration plans for co-hiring faculty. President Kelly said this is a great way to co-brand FAU. We can recruit the best and brightest.

Trustee Dr. Feingold asked how you will integrate the medical school on Boca with the Jupiter campus. He is also concerned about an 'elite' school in Jupiter. Dr. Perry said we will grow the Honors College to 1,000 students and integrate those students with others from every college. The Honors College just admitted its most students ever at 157. The goal is to integrate Boca and Jupiter students and faculty. Dr. Feingold said he thinks it's a home run.

Dr. Flynn spoke about coming up with some of the pillars and platforms on the Strategic Plan. He met with multiple faculty members in public meetings to discuss this. We are recruiting key people to help increase research funding. We expect to hire a renowned neuroscientist on the Jupiter campus. We are also beginning a search for a new director at HBOI and we expect to hire someone soon to help with the sensing and smart systems pillar.

Trustee Tanner asked what was the financial aspect? Dorothy Russell said it will be a process of reallocation of about \$21 million.

President Kelly went over the Strategic Plan's nine platforms, and which ELT member was assigned to each.

- He went over Strategic Action and Initiative.
- Some changes were increasing the minimum GPA for undergraduate admission to 3.3.
- For Fall 2016 we increased that minimum to 3.6 GPA and minimum 22 ACT. Our goal is 4.0 GPA and 25 ACT, that would put us just under UF and FSU in the SUS. Our goal is to get to 60% graduation rate.
- We are looking at changing the mix to more out of state students.
- Trustee Stilley asked if we are approaching this just with scores or more holistically. President Kelly said holistically. The students will get in right away with scores, but we will look closely at other students.

Peter Hull talked about the new social media in recruiting. The new generation has an 8 second attention span.

- They see an average number of 5 screens a day.
- 61% want to be an entrepreneur, not an employee, and over 91% spend more than one to 1-3 hours a day on non-school work.
- We are redesigning for a new website.
- Looking at one-click admissions.
- Have targeted ads to see how a student searches.
- Trustee McDonald asked if the attention span has affected teaching. Dr. Beetle said absolutely. More breaks include animation and other ways to break up the lecture.

Dr. Perry is looking at a "flipped classroom." SGA is funding some experimental classrooms. Trustee Moabery said flipped learning is not easy. Dr. Perry said the traditional way of teaching is over. President Kelly mentioned offering an "expresso" degree, where a student can take enough summer courses to graduate in 3 years.

President Kelly wants to increase compensation for the faculty, staff, and graduate students. He has also charged Dr. Flynn with a goal of reaching \$100 million in research expenditures (counting both internal and external expenditures).

- President Kelly said we are looking at hiring 5 new faculty members to help with Dr. Flynn's goal.
- Trustee Stilley asked if there is a timeline. Dr. Flynn said it will be probably move smaller at first then move onto bigger gains. It is hard to see a linear line on the graph.

President Kelly said Stacy Volnick will be redoing the campus master plans. She said they want to take a look at these plans holistically, not just placing buildings on empty land.

Dorothy Russell is overseeing expenditures to ensure they are being spent on what was approved.

President Kelly wants to increase the brand. We have had 6 front page articles in 5 weeks. Our goal is one front page article a month.

President Kelly wants four sports in the top 25 a year. Conference realignment might be happening soon and we want to move up to one of the big conferences. The Schmidt Family Complex for Academic and Athletic Excellence will be a key factor for achieving these goals.

We want to hire a great Vice President for Development.

Chair Barbar then introduced Dr. Rick Wells, the facilitator for the retreat. He gave some introductory remarks and what to expect on the next day.

-Adjournment-

Day 2 – September 21, 2015

Meeting opened with the Community and Government Relations workshop

Trustee Robert Stilley opened with some objectives of the committee. Ms. Volnick introduced Ryan Britton, Director of Government Relations. Mr. Britton presented the objectives and priorities of Government Relations.

- Much better appropriated funding this past year than the year before.
- Consistent message and efforts. Trustees need to coordinate activities through Committee Chair Stilley or Chair Barbar.
- Trustee Feingold asked what the plan is. What makes FAU stand apart? Ryan said differentiation is very important. Jupiter is an example. PECO projects are always the hardest for universities. We need to get our message out re why it's important for the state.
- Trustee Dennis suggested getting students more engaged, perhaps by starting an endowment to fund internships.
 - Dr. King said the Career Development Center is looking at that.
- Chair Barbar said Representative Magar has been a real champion of FAU.
- Dr. Flynn presented on research, patents, and spin-out companies.

The Community and Governmental Relations Workshop was adjourned.

President Kelly's Transition Year Stakeholders Leaders' Formative Review Draft Report

Dr. Rick Wells, moderator, presented President Kelly's transition year stakeholders leaders "Formative Review Draft Report".

- Dr. Wells reviewed his methodology in conducting the review and highlighted selective feedback.
 - Need to increase advancement and expectations.
 - ELT need team building and leadership development.
 - Conflicting views on a need for a Chief of Staff.
- Balancing the External and Internal Presidential Roles.
 - President Kelly has done a great job being successful with external stakeholders and external reputation of the university. But ironically, there are some questions about his level of internal engagement.
 - Conflicting views on the "flat organization structure." Supporters say it helps functional effectiveness; non-supporters are concerned that Admissions is not under Academic Affairs. All agree it should allow VPs to sub in for Dr. Kelly at certain community events so that he can spend more time on higher strategic value items.
- Achieving the Bold Vision
 - Budgeting to plan is appreciated and unnerving.
 - President Kelly is a tremendous advocate of a bold vision. However, there is some concern that he better pace himself and burn himself out.

How can the President's Executive Leadership Team (ELT) maintain and enhance the success of the President and the Presidency?

Who should be included of the portrait of the President?

- Executive Leadership Team?
- Deans, local stakeholders?
- The more people that feel a part of the presidency, the easier it is to follow up on opportunities and deal with possible issues.

Some people feel a president is president of the administration, not of the faculty or the students.

- Dr. Perry said the president is the president of the whole university.
- Dr. Wells asked what the guiding values of the presidency are. President Kelly said it is important the ELT knows what he is doing and what each other are doing. He is confident the ELT can speak for him.
- ELT is definitely a part of the presidency.

Dr. Wells asked about deans.

- David Kian said they are in tough positions. They need to be advocates of their college and sometimes they are facing each other.

- VP's are in the same kind of position.
- Dr. Wells said deans should be invested in the whole university and be a part of the provostship. Break down the silos.

Dr. Wells asked what have the ELT been doing to help the presidency.

- Dr. Perry said we are starting to see the blurring of positions with each other. For example: Provost is working much more with the Vice President for Student Affairs.
- Dr. Flynn said to take ownership of the strategic plan.
- David Kian said the blurring helps with transparency with each other.
- Dr. Wells said it is a big community, the more the ELT work together, the better problems are handled, and more effectively.
- Jorge Calzadilla said the strategic plan helps us to know what we need to do.
- Dr. Wells suggested taking advantage of the ELT members that worked closely with the President before he came to FAU.

Dr. Wells asked what does the President do that is not helpful?

- Peter Hull and Stacy Volnick said he is going to too many events.
- Dr. Wells said the VP's that are outside the Building get less information than the others who are in the Administration Building. Need to maximize communication opportunities with them.

How can the BOT maintain and enhance the success of the President and the Presidency?

Who should be included in the portrait of the presidency?

- Trustee Teske said the President makes his own portrait, and the Board empowers him.
- Trustee Tanner said there are people that become a part of the portrait in and out sometimes. He said we are much more open and transparent than FAU has ever been.
- Trustee Stilley says trust and communication are extremely important. It needs to go up and down throughout the organization.
- Trustee Cane said it is nice to see the ELT have trust in each other and with the President.

What have you been doing as a Board that is helpful?

- Trustee Dennis asked the President about his thoughts. President Kelly said the Board should capitalize on the many different people that you can connect with the University.
- Trustee Stilley said the Board should question and challenge the administration to assure institutional oversight.
- Dr. Wells said the Board can help the President and ELT with advice from their own experiences.

What is the Board doing that is less helpful to the President?

- Trustee Cane said we need to have a more cohesive strategy on certain subjects. If we are not all in agreement, then we can really hurt the presidency.
- Trustee Stilley said he wishes the Board had more information about certain things.

- Chair Barbar said it is very helpful for Board members to talk with students and faculty, but to know we are not decision makers in the day to day decisions.

Action Item: Review President Kelly's Proposed 2015-16 Goals and Objectives

Chair Barbar introduced President Kelly's proposed 2015-16 Goals and Objectives, which he and President Kelly developed. Trustee Stilley said the President should include in his personal goals to take more time off. Trustee Cane applauded the inclusion of specific metrics and deliverables, noting that this was something the Board had requested last year and he was pleased to see included this year. He added his strong support for Trustee Stilley's recommendation that the President take more time off, as he fears that the President's schedule is not sustainable. **A motion to approve President Kelly's proposed 2015-16 Goals and Objectives was moved and seconded. With no further discussion or changes, the motion passed unanimously.**

Action Item: Review President Kelly's 2014-15 Evaluation

Chair Barbar introduced the proposed evaluation of the president that had previously been distributed to the Trustees. He emphasized the extraordinary change in the perception of the University in the community, by the BOG, and by elected officials. He credited this to Dr. Kelly and gave examples of the positive receptions that Dr. Kelly has received in all of these venues. He highlighted some of the specific accomplishments outlined in the evaluation and added that Mrs. Kelly has been a tremendous asset to the University as well. **A motion to approve the proposed 2014-15 Evaluation of President Kelly was moved and seconded. With no further discussion or changes, the motion passed unanimously.**

President Kelly departed from the room.

Action Item: Determine President Kelly's 2014-15 Performance Bonus

With Board's unanimous evaluation that President Kelly had performed exceptionally, Chair Barbar asked David Kian to review the terms of President Kelly's employment agreement with respect to performance bonus. Mr. Kian said Dr. Kelly will receive a retention bonus of 10% of his base salary and he is eligible for up to 10% more based on the Board's assessment of his performance. Trustee Cane asked whether the Board could award more for performance. Mr. Kian responded that 10% was the maximum allowed under the contract. Trustee Cane said Dr. Kelly's performance deserved more than 10% and asked whether the contract could be amended. Mr. Kian confirmed that it could, subject to Dr. Kelly's concurrence. He also recommended that the Board receive updated comparable salary information before finalizing any amendment. **A motion to retroactively amend President Kelly's employment agreement to allow the Board to award a performance bonus of up to 20% of base salary, subject to Dr. Kelly's agreement and to the Personnel and Compensation committee reviewing comparable compensation data and determining that such an amendment was reasonable, was moved and seconded. With no further discussion or changes, the motion passed unanimously. A motion to award President Kelly a performance bonus of 20% of base salary, with 10% paid now and 10% paid after the Personnel and Compensation committee reviews comparable compensation data**

and determines that the amended contract provision is reasonable, was moved and seconded. With no further discussion or changes, the motion passed unanimously.

The 2015 Board of Trustees Retreat was adjourned.