



Item: CG: A-M

COMMUNITY AND GOVERNMENTAL RELATIONS COMMITTEE
Tuesday, May 16, 2017

SUBJECT: ROLL CALL AND APPROVAL OF THE MARCH 14, 2017 MINUTES

PROPOSED COMMITTEE ACTION

Initiate roll call to document member participation, ensure quorum, and approve the Minutes of March 14, 2017 meeting.

COMMITTEE MEMBERS

Mr. Robert Stilley, Chair	_____
Mrs. Mary Beth McDonald, Vice Chair	_____
Mr. Anthony Barbar (ex-officio)	_____
Ms. Emily Lawless	_____
Mr. Daniel Cane (ex-officio)	_____
Dr. Michael Dennis	_____
Dr. Malcolm Dorman	_____
Dr. Jeffrey Feingold	_____

PARTICIPATING BOT MEMBERS

Mr. Shaun Davis	_____
Mr. Abdol Moabery	_____
Mr. Robert Rubin	_____
Dr. Kevin Wagner	_____
Mr. Thomas Workman	_____



COMMUNITY AND GOVERNMENTAL RELATIONS COMMITTEE

Meeting Minutes of March 14, 2017

SP: A-M Roll Call:

Trustee Robert Stilley, Committee Chair called the meeting to order and initiated the roll call. In addition to Trustee Stilley, the following committee members were present: Trustee Mary Beth McDonald; Trustee Anthony Barbar (ex-officio); Trustee Daniel Cane (ex-officio); Trustee Michael Cairo; Trustee Malcolm Dorman and Trustee Michael Dennis.

Other Trustees attending the meeting included: Trustee Robert Rubin; Trustee Thomas Workman; Trustee Shaun Davis and Trustee Christopher Beetle.

A quorum was present and the committee was called to order.

The following university officials participated: Dr. John Kelly, University President; Ms. Stacy Volnick, Vice President, Administrative Affairs & Chief Administrative Officer; Ms. Danita Nias, Vice President for Institutional Advancement and CEO of FAU Foundation, Inc. and Mr. Ryan Britton, Executive Director of Government Relations.

Trustee Stilley called for approval of the January 24, 2017 meeting minutes. A motion was made and seconded to approve meeting minutes without change or correction. No discussion or commentary followed. The motion passed unanimously.

CG: I-1 Legislative Update:

I would like to note in the minutes that we said we were going to have a workshop which we have not had, we will have that after session for this committee because there's just so much going on up in Tallahassee.

First up is VP Danita Nias, we have some naming opportunities. We had the opportunity to talk yesterday, I told her anytime that people are giving money this would be really easy.

Trustee Stilley invited Danita Nias, Vice President for Institutional Advancement and CEO of FAU Foundation, Inc. to approach the podium.

Thank you Mr. Chair and good afternoon Trustees. I am pleased to be able to present three University naming elements for your approval. The first two are related to the Schmidt Family Complex for Academic and Athletic Excellence and the first for consideration is a tutoring room named after Tom and Maureen Workman. As you know Mr. Tom Workman is a graduate of Florida Atlantic University and has a long history of philanthropic giving to FAU and it would be an honor for us to be able to name a tutoring room in the new Schmidt Family Complex after him and his wife. The proposed name for this tutoring room is the Workman Family Tutor Room.

Trustee Stilley called for a motion to approve the naming of the Workman Family Tutor Room. A motion was made and seconded to approve without change or correction. No discussion or commentary followed. The motion passed unanimously.

The second University naming element is another tutoring room in the Schmidt Family Complex for Academic and Athletic Excellence and this to be named after Patricia and Gary McKay both of whom are graduates of Florida Atlantic University, both of whom have directed a significant portion of their philanthropy to the University and if this Committee of the Board approves this that name would be Patricia and Gary McKay Tutor Room.

Trustee Stilley called for a motion to approve the naming of the Patricia and Gary McKay Tutor Room. A motion was made and seconded to approve without change or correction. No discussion or commentary followed. The motion passed unanimously.

The last University naming element is at Tech Runway and this is a naming element by George Elmore who has also been a long time and faithful donor to the University. His gift would be naming an office space at Tech Runway and the proposed would be the Elmore Family Foundation Office Space.

Trustee Stilley called for a motion to approve the naming of the Elmore Family Foundation Office Space. A motion was made and seconded to approve without change or correction. No discussion or commentary followed. The motion passed unanimously.

This concluded VP Danita Nias's update.

Trustee Stilley invited Stacy Volnick, Vice President for Administrative Affairs & Chief Administrative Officer to approach the podium to give an update on the Gala.

Thank you and good afternoon Trustees. I just want to take an opportunity to personally thank each of you for the support you've given to this event. As you know it is going to be held on April 1st in our wonderful stadium. This event started in 2011 as an opportunity to celebrate FAU's 50th Anniversary. It's an unconventional event and it's an event where singing in the

rain was not just a song but had a literal translation for those of you that remember. With that said each year we continue to have approximately 800 people come out to support the University and to raise funds for scholarships so again I want to personally thank you. I reach out to you each year for your support but I'd like to make a specific acknowledgement for our top sponsor for this year's Gala, Diamond Level sponsor we have one and that is Trustee Dr. Michael Dennis so thank you so much. I reached out to you I think about a month ago and without hesitation you helped support this event as the top sponsor so thank you again. I will see you all on April 1st I hope.

This concluded VP Stacy Volnick 's update.

Trustee Stilley invited Ryan Britton, Executive Director of Government Relations to approach the podium to give the legislative update.

Thank you all and good afternoon Trustees my name is Ryan Britton and I will give you a brief update on what is going on in the state but before I dive in there I want to give you just a quick update on the federal activities and Trustee Cairo alluded to it a little bit earlier.

Our Federal Legislative Priorities got off to a bang this year with Student Government, Trustee Cairo and members of FAU's Student Government accompanied Dr. Flynn to Washington, D.C. to meet with members of our congressional delegation. We've made quarterly trips to DC in an organized fashion in addition to all of the conference attendees and all the other individuals from the University who make trips to DC and so we're going to make it a recurring trip every year to take a coalition of students from Student Government and other student leaders. On this trip they were very well received, they had a wonderful experience and I've gotten very good feedback from our Congressional Offices. Since that trip we've had 2 or 3 different individuals from the University travel up to Washington to discuss topics ranging from student financial aid to the health of our oceans so we are continuing to engage federally.

President Trump has yet to release a federal agenda or at least a detailed federal agenda so we are monitoring the federal appropriations process and waiting to see if President Trump is going to outline a specific higher education agenda. His first high level higher education meeting was with the presidents of the nation's HBCUs, which included a discussion about access and affordability. In addition, the Trump Administration has made free speech on campus a salient topic. As the year goes on we will continue to engage with our federal partners and build on the great success Dr. Flynn has had in increasing our federal research portfolio.

As Trustee Stilley alluded to there is a lot going on in our state so we might as well dive in with both feet. Last week, President Kelly and Chairman Barbar traveled to Tallahassee to

participate in several local organizations' legislative advocacy events. Palm Beach County, the Economic Council as well as the Boca and Palm Beach North Chambers of Commerce all had events scheduled during the opening week of the 2017 Session. Each of these groups spoke in support of FAU and our priorities. One of the things we had talked about years ago was the fact that we often had to speak with our own voice when we wanted to carry our priorities forward and one thing we tried to do when this office was created was expanding our reach and getting others to speak on our behalf and we're absolutely doing that. We're on Palm Beach County, the Economic Council, BDB, and the Boca and Palm Beach North Chamber's legislative agendas; so when we go up there with them we don't have to do all of the asking ourselves because we've got other organizations that are asking on our behalf and that helps carry our message and we've been very coordinated in those efforts.

In addition to these advocacy events on Valentine's Day more than 40 members (students, alumni, faculty, staff, trustees and board members) of the university community were in Tallahassee for FAU Day at the Capitol. Our annual celebration of all things FAU continues to improve with each passing year. We had great meetings with legislators, staff and the leadership in both chambers. Thank you to all who participated and I would like to give a special recognition to Stephanie Gioletti, Venante Laguerre and Constance Scott in our office who worked very hard to ensure the day was a success. Because of the legislative calendar we will probably do another FAU Day later this fall. The Legislative Session in 2018 starts in January so we will have to move FAU Day into the fall semester.

Let's talk about the budget. As we have discussed previously, the Governor, House and Senate remain at odds over several major budget and policy issues. The state's handling of economic incentives, water resources, Everglades restoration, gaming, health care, bonding, taxes, as well as k-12 and higher education all remain unresolved and are being contentiously debated in the chambers and in the media. Everyone has a different opinion and have yet to come to a consensus on any number of those issues and we are very much in the political posturing phase of this process, what is important to one party is being set up to show its unimportance to another party and that will continue.

The big breakthrough that came right before the Session started was that the Legislature has agreed on a general budgetary framework, which includes increased transparency and requires that all budget requests be nonrecurring. The Legislature is in the process of creating their FY 17-18 budget and as part of that process both chambers are conducting an extensive review of recurring budget obligations and alternative sources of funding. Appropriations subcommittees in both the House and Senate have been asked to review their respective budget categories and make recommendations for potential budget cuts.

On March 8, 2017 VP Danita Nias, Sharon Brown, Art Kite did a wonderful job as they appeared before the House Appropriations Committee to participate in a budget review exercise that specifically focused on university foundations. All public state universities and colleges were required to attend the meeting and answer questions related to foundations' staffing, travel, revenues and expenditures. This is all part of an extensive budget review process that is going on in both chambers and obviously Senator Negrón has said that higher education and putting a billion dollars into higher education is a priority of his as a result Speaker Corcoran is doing an intense look at not only university based budgets but also all of the auxiliary funding streams that universities have at their disposal.

I'll give you an example of how these budget exercises are playing out on the Senate side. The Senate Appropriations Subcommittee on Health and Human Services recently put forward their budget reduction recommendations. Each subcommittee is putting forward budget reduction recommendations so both the House and Senate subcommittees are putting forward reduction recommendations. So far we have been spared but for one. Within those recommendations all of the state's Memory Disorder Clinics, including the clinic (Memory and Wellness Center) on campus at FAU, were identified for budget reduction. So they receive \$222,000 in recurring funds and the Senate Appropriations Subcommittee have put forward to reduce all of them to zero. This is again a political posturing exercise, everyone is trying to feel each other out by putting these things forward. It's never a good idea to start in this space but this is what we are doing. They have asked for accountability and we have been very responsive by providing all of the information they have requested but given that they've zeroed out all of them it looks more like a political exercise. It is too early to tell if these cuts will actually happen, but we will continue to monitor these issues. The budget review process will likely continue for the next few weeks before the subcommittees release their fiscal year 17-18 budget proposals.

We are continuing to monitor the overall budget process and pursue our individual appropriations priorities, which include:

- Performance Funding
- Jupiter Research Building – On BOG Priority List
- Honors College Enrollment Growth
- Tech Runway
- Cyber Monitoring of the Kissimmee River Restoration

I also want to highlight one additional FAU priority. In one of our previous meetings Trustee Cane asked specifically about A.D. Henderson and where our lab school fits within our priorities. At the time I stated that we were pursuing a parallel strategy and engaging the Governor's office on the issue because of a lack of a clear path to fund lab school construction. I am pleased to report that the strategy proved successful and Governor Scott included \$7.875 million dollars for Henderson in his budget recommendation. What that funding requires is a

1 to 1 match; so the Governor has put this money into his budget and he has identified it as only for us, we were the only lab school in the state identified for this additional funding but it is contingent on receiving a 1 to 1 match .

All of that being said our work is far from over. The Governor only makes recommendations and we still need the Legislature to fund the appropriation. In addition, the Governor's budget language only provides funding for the program based on a 1 to 1 match. Therefore, if the line is funded we need to raise \$7.875 million to draw down all of the state funds and Joel, Danita and her team are already hard at work looking for matching dollars.

As always, we are incredibly grateful for the support of our legislative champions, like Rep. Magar, Rep. Hager, President Negrón, Sen. Clemens and Sen. Powell, who are working tirelessly to advance our issues in Tallahassee. In addition we are monitoring a handful of Trustee Appointments as they move through the process. Currently in process are: Trustee Stille, Trustee Moabery, Trustee Davis and Trustee Dorman. There will be two committee stops before a full Senate vote. Right now they have not taken any of the committee votes yet but the hope is that you will move first through education then to ethics and elections and then finally through the full Senate. We will continue to monitor that and let you know if there are any hiccups along the way but more often than not its formulaic and you just need to move through the process.

Last but not least I will talk about some legislation. The first is President Negrón's Excellence in Higher Education Act of 2017. He introduced two bills initially, combined them into one and it is an omnibus meaning a total package for higher education. There is talk about expanding 2+2 articulation, there is changing some of the metrics for ourselves going into a 4yr graduation rate and a 2yr graduation rate for the state colleges, there is also a discussion about block tuition and putting a program in place; it does not prescribe a block tuition system but it does identify a timeline that universities would have to adopt some form of block tuition. We don't know if the program or the proposal is going to become more developed as it moves along or if it's just going to say the Board of Governors has to work with each institution and develop a block tuition system. Right now they've moved the date up to October 1st we would have to have a proposal in place. This is all on the Senate side, the House is yet to totally identify what they're proposal is going to look like and how they are going to match or offer different solutions to the House proposal.

The last part of President Negrón's bill is this Excellence in Recruitment and Retention of faculty and again it does not prescribe a particular system yet but they are talking about giving a base amount of money to all institutions for the recruitment of faculty and then also doing a little bit of performance base based on some of our standings at the graduate level as well as some of our academic performance and we will continue to watch that to see what kind of money could be flowing our way.

The Governor has put forward a higher education agenda that has often relied on holding tuition and fees constant and finally that proposal has now been put into legislation and it has been introduced. The legislation is very restrictive in terms of what universities and their boards can do with fees. I'm going to run through a list and articulate what this legislation will do, again it's just a proposal but it has been introduced and it will be moving forward and is backed by the Governor.

- Effective July 1, 2017 a university may not increase its athletic fee.
- Effective July 1, 2017, a university board of trustees may not increase the financial aid fee.
- Effective July 1, 2017, a university board of trustees may not increase the Capital Improvement Trust Fund fee.
- Effective July 1, 2017, a university board of trustees may not increase student activity and service, health, or athletic fees.
- Effective July 1, 2017, a university board of trustees may not increase the technology fee.
- Deletes the Board's authority to approve a proposal from a UBOT for a new student fee.
- Effective July 1, 2017, a state university may not increase the distance learning course fee in excess of the amount established and effective as of June 30, 2017.
- By September 1 of each year, each board of trustees shall report to the Chancellor the total amount of revenue generated by the distance learning course fee for the prior fiscal year and how the revenue was expended.
- By November 1 of each year, the Chancellor shall report the total amount of revenue generated by the distance learning course fee for the prior fiscal year and how the revenue was expended, system wide and for each institution, to the Governor, the President of the Senate, and the Speaker of the House of Representatives.
- Each state university shall waive 25 percent of the cost of fees described in ss. 1009.24(7)-(14) and (17) for a graduate student who has a 0.25, or greater, full-time equivalent appointment as a graduate assistant, graduate research assistant, graduate teaching assistant, graduate research associate, or graduate teaching associate.

For the last number of years we have held tuition and fees flat however this would put this into statute and make it a permanent thing that we cannot increase tuition and fees as of July 1, 2017. There is some language about graduate tuition, there are a number of pieces of legislation that are moving forward and again it is a very interesting session to say the least. We are continuing to track all of it; if it moves forward in the standard practice, we will get budget recommendations in the next couple of weeks. I imagine that the legislation will continue to creep through the committee process but it will be an interesting couple of months to say the least.

This concluded Ryan Britton's update; he invited questions and comments from the Trustees and thanked them for their continued support.

Question from Trustee Cane: What are the key dates for us to know when these things are to a vote and when is it fort of finalized?

The budget proposals usually come out week 3 which will be next week. I don't know if that's going to remain a constant given the new processes that are in place, I'll be in Tallahassee tomorrow and will have a little more information but if they stay on schedule budget proposals typically come out week 3, they move to full committees week 4, a floor vote week 5, conference starts week 6 or 7 so you're looking at movement along the way over the next few weeks. Conference which is the time where pretty much the rubber will hit the road is typically week 7 through week 9 so you're looking at mid-April through the first week in May. The budget has to be done and finished if they're going to pass it on time 3 days before the end of session. Session ends May 5th so budget would have to be complete May 2nd and has a mandatory cool down period.

Question from Trustee Stilley: On the fees and tuition legislation how do we politely make our point that we are appointed to watch out for the University and be good fiscal managers?

That is the biggest concern and once it is in statute if it does move forward the question then becomes who is going to take up the mantle of increasing fees or giving the institution the ability to increase fees and that becomes a very hard task. What I would say in the interim is that the Board of Governors is very aware of this and to continue conversations within the Board of Governors I imagine it would be a very big topic of conversation when we have our board meeting at the end of this month. In addition as you all have relationships with Representatives and Members I would make sure you're able to make the point that I understand the need to increase access and affordability and to hold cost but this is something that eliminates a lot of options basically into perpetuity and you're tying our hands. I think our behavior over the last few years has shown us to be responsible and if I'm crafting an argument to a Legislator the argument I would make is over the last few years we've proven to be a very responsible institution; we've held down costs, increased access, increased affordability, our student debt loads are some of the best in the country, our graduation rates are very good comparatively to the nation so we're doing all of the things you're asking. This is something that will tie our hands forever or create a huge mountain to overcome at some point in the future if a member wants to overturn it. There is both a House and a Senate bill but they have not moved to a committee.

The Governor's proposals typically are not usually entirely passed and oftentimes some form of the Governor's priorities is put into legislation and whether that gets rolled into these larger Higher Education Omnibus Bills I don't know but there's usually legs to a Governor's priority in some form.

The Senate President have been very supportive of Higher Education Institutions and also providing flexibility to Higher Education Institutions so I would imagine he would be very sympathetic to the arguments that we are talking today, the problem is the Speaker of the House has a very different agenda than the Senate President these days.

Comment from Trustee Stille: I've been up to FAU Days', it's my 11th year and the first few days it was kind of like "FA..who" but this year (I was not there last year) it was amazing. The reception we got from all of the Legislators was pretty remarkable and you have a big deal to do for that as well as President Kelly and Chairman Barbar who have been up to Tallahassee quite a bit. Most of the information I received when talking to people is that we're in pretty decent shape so thank you very much for all that you are doing up there.

Thank you very much and I will take a moment of personal privilege; you often see me but in our Government Relations Office is Venante Laguerre, Stephanie Gioletti, Constance Scott and they work very hard to make sure that we operate well at all levels of Government but especially on a day like FAU Day. It is a logistical nightmare and the reason why it's successful is because of the hard work that they do and I will leave on positive note that every year we are in a better position that we were in years past. We have more fans, more people who are aware of what we're doing, I feel very good about our priorities and how we're positioned within both chambers. The issues or concerns I have are about the larger chamber disagreements that we really have very little control of. In terms of the things that we can control and the things that we do I feel very good about them.

Question from Trustee Cairo: Are there any discussions being had in Tallahassee about block tuition and if there's any student opinion about it at all because I'm personally opposed to it and so is the rest of the Student Body Presidents within the SUS.

This is the first official student body opinion that we are hearing about it. There is a good deal of discussion but it is nonspecific and I'll tell you that the conversation regarding block tuition have varied greatly. Block tuition can be anything from paying for 14 getting 15 banking hours, getting 15 and 15 and then getting to bank credits to take in the summer or paying for 15 and getting to take 18 and so there are a great number of proposals and options out there. I think there is an understanding from President Negrón's office that he does not want to be prescriptive so that each institution will be able to figure out what is the best way for them. You say it has to be included and that's true but the Senate is very much committed to that position but the House is yet to say they are absolutely committed to putting that forward in the same way that they have yet to say they are absolutely committed to a four year graduation rate. They have not identified a one path for everyone.

Comment from Trustee Beetle: I've seen some of the budgeting the University has done about this issue and it seems clear to me when I was looking that the a la carte option will remain because we certainly have students that are taking 3 or 6 credits per semester and they are just part time and they are not going to be paying for 14. My understanding is I think the model was students that are currently taking more than 14 credits, suppose that they just pay the block for 14. I don't know what the forecast was about 12 credits whether students taking 12 would be obliged to pay for 14 and I wanted to say as a member of the faculty like in the Physics department in the third year of undergraduate we want our students to have a critical mass of upper division physics courses we have a set of 12 credits that we want them to take and we don't want them taking anything else at the same time because it's too hard if they spread themselves too thin it would water down their major so there's good academic reason why a student would only be signing up for 12 and I would hope that student would pay for only 12 but that the block would be available.

You are absolutely correct that the a la carte option would remain, this would be something that is optional but would have to be offered in some form.

Comment from President Kelly: Trustee Stilley had a comment about an incentive model that was quite well received, maybe it's worth hearing that thought. Trustee Stilley can you rearticulate that idea?

Comment from Trustee Stilley: What they are talking about is if pay for 12hrs you can take up to 15. That hurts the University in that we have to provide the resources for 15hrs but only getting paid for 12. So I said let's combine that with the goal of graduating in four years, so let's say you do pay for 12, you take 15 and you get a credit for 3hrs. If you graduate on time you get either a check back at the end of graduation to either use for a car or put towards grad school but you have to graduate in 4yrs in order to get that money back.

Comment from Trustee Cairo: The example you gave is if I pay for 12, take 15 and cost the university for 3 what happens if I am a student and pay 15 out of the block model but I only take 12? That lost 3 is money out of my pocket theoretically.

Comment from Trustee Stilley: You still have option of taking 12 and only paying for 12 but if you pay for the 15 block you take 15hrs but we're going to give you a 3hr credit that you're going to put into a bank and just keep track of that.

Comment from Trustee Cairo: When we discussed this amongst ourselves as the Student Body Presidents the model that was discussed was you pay 15 the incentive was you could take 18 and get those 3 for free or if you take 12 it's an incentive to take 15 in order to increase your course load. I just want to make sure that we're not going to be put in a position where students will be required to pay for more than they're going to be receiving in terms of credit.

Comment from Trustee Stilley: Absolutely, think about all of the students that will graduate on time and they get a check when they graduate; that's pretty nice.

Question from Trustee Cairo: I agree, but what about the rest of them?

Comment from Trustee Stilley: They're protected, they just don't have to do the hours. We want you to graduate in 4yrs so that you can start making money.

I think it would be beneficial to students whatever option comes but one of the things to take into consideration in the larger conversation is they want to incentivize a change in behavior amongst the students. One thing Senator Negron is very committed to is this 4yr graduation timeline in getting students not to linger so whatever model will be beneficial to the students financially and as Trustee Beetle said the a la carte option won't go away but at the same time he does want to change behavior and incentivize students taking more and getting out sooner.

Trustee Stilley requested a motion to adjourn the committee's meeting; a motion was made and seconded. The motion to adjourn was approved.