FAU
BOARD OF TRUSTEES
Florida Atlantic University

Item: II

Wednesday, June 25, 2008

SUBJECT: APPROVAL OF MINUTES

PROPOSED BOARD ACTION

Approve the May 28, 2008 meeting minutes.

BACKGROUND INFORMATION

N/A

IMPLEMENTATION PLAN/DATE

N/A.

FISCAL IMPLICATIONS

N/A.

Supporting Documentation: June 25, 2008 Minutes

Presented by: Randy Goin, BOT Liaison **Phone: 561-297-3450**

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BOARD OF TRUSTEES
Florida Atlantic University

Meeting Minutes
Wednesday, May 28, 2008
John D. MacArthur Campus - Jupiter
5353 Parkside Drive
Jupiter, FL 33458

Chairwoman Nancy Blosser convened the meeting of the Florida Atlantic University Board of Trustees (BOT) at 10:05 am. with the following members participating:

Trustees Scott Adams, Bill Bryant, Abraham Cohen, David Feder, Armand Grossman, Rajendra Gupta, Lalita Janke, Eric Shaw, Robert Stilley, and Tom Workman.

Absent: Trustee Sherry Plymale

The following university officials participated:

Mr. Frank T. Brogan, President; Dr. John Pritchett, Provost; Mr. David Kian, General Counsel; Mr. Randy Goin, BOT Liaison; Dr. Ken Jessell, Vice President for Financial Affairs; Dr. Kristen Murtaugh, Vice President of MacArthur Campus; and Mr. Tom Donaudy, Vice President for Facilities.

I. Call to Order

Chairwoman Nancy Blosser convened the Full Board Meeting at 10:05 am.

II. Approval of the meeting minutes.

With no additions or corrections to the minutes, there was a motion to approve the minutes for the March 19, 2008 by Trustee Thomas Workman. **The motion was seconded by Trustee Rajendra Gupta. The motion passed unanimously.**

III. Chair's Report

Trustee Nancy Blosser gave the Chairman's Report. She thanked Trustee Robert Stilley for hosting dinner for the trustees at the Jupiter Beach Resort on May 27, 2008. Trustee Blosser welcomed all attending to FAU's John D. MacArthur Campus in Jupiter and thanked the staff for assisting in organizing and setting up the meeting. She welcomed Abraham "Abe" Cohen as Student Representative on the BOT. Trustee Blosser has been meeting with Deans, Vice Presidents, and administrative staff and has been touring the colleges and various departments at FAU. She encouraged all trustees to make the time to do college and department tours. Trustee Blosser stated she provided a welcome on behalf of the BOT to a group that included the British Consulate and visiting researchers from the United Kingdom. They met at FAU's Seatech campus with FAU researchers. She participated in meetings with Chancellor Mark Rosenburg and all of the State University System Boards of Trustees Chairs to discuss post-session initiatives related to governance. She also participated in a BOG conference call;

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the most significant item discussed was the retreat on the eight percent proposed increase. The BOG will now support a six percent increase in tuition. Trustee Sherry Plymale has agreed to serve as the BOT representative on the Harbor Branch Oceanographic Institute Foundation Board. Trustee Blosser reminded the board to turn in their financial disclosure forms to the Florida Commission on Ethics. Trustee Blosser commended President Frank Brogan and FAU Police Chief Charles Lowe on their handling of the shooting incident on the Boca Raton campus. She noted that there has been no response from the BOT on retreat topics and encouraged trustees to forward topics to Randy Goin and Karen Miller. Trustee Blosser recognized Coach Kevin Cooney for his twenty-one years of service as FAU men's baseball head coach. President Brogan acknowledged Coach Cooney's service to FAU.

Trustee Blosser opened the floor for nominations for Vice Chairman of the Florida Atlantic University Board of Trustees. Trustee William Bryant nominated Trustee Scott Adams. The nomination was seconded by Trustee Armand Grossman. Trustee Lalita Janke nominated Trustee Armand Grossman. The nomination was seconded by Trustee Robert Stilley. Trustee Armand Grossman declined the nomination. Trustee Janke and Trustee Stilley withdrew their motions to nominate Trustee Armand Grossman. **With no further discussion, the motion to elect Trustee Scott Adams passed unanimously.**

Trustees Blosser modified the agenda and asked that new business be vetted.

XIV. New Business – Approval of Men's Basketball Head Coach Contract

Trustee Blosser introduced Mr. Craig Angelos, who presented information regarding the FAU Men's Basketball Head Coach contract. Mr. Angelos discussed the search process for the position and reviewed the pool of candidates. Mr. Angelos recommended and introduced the candidate for the Men's basketball head coach, Mr. Michael Jarvis. Mr. Angelos also discussed the main points of the employment contract for Mr. Jarvis. The salary listed in the contract is $175,000 per year which, is about average for coaches in the Sunbelt Conference. The contract length is four years, with a one year severance package. If the coach leaves prior to the end of the contract, the hiring institution will be required to pay the FAU a portion of the salary. Trustee Eric Shaw commented that the severance package in the contract is reasonable. Trustee Armand Grossman commended Mr. Craig Angelos and Mr. David Kian for their work on the process of hiring the new Men's Basketball Head Coach, and welcomed Mr. Jarvis to the FAU family. Trustee David Feder welcomed Mr. Jarvis to the FAU family. Trustee William Bryant commented he is pleased to have Mr. Jarvis aboard. Trustee Blosser thanked everyone involved with working on the contract. She noted it is not the job of the BOT to negotiate athletic coaches' contracts. There was a change in the BOT by-laws last November that stated any multi-year contract that was developed at FAU had to get BOT approval. The BOT voting to make sure that the multi-year contract is fair and does not obligate FAU to pay a large severance pay. Trustee Blosser welcomed Mr. Jarvis to FAU.

With no further discussion, there was a motion by Trustee Bryant Approve the employment contract with Michael D. Jarvis, Sr., for the position of Florida Atlantic University Men's Basketball Head Coach. The motion was seconded by Trustee Stilley. The motion passed unanimously.

IV. President's Report

Trustee Blosser asked President Brogan to give his report to the BOT. President Brogan thanked everyone for their comments regarding FAU's handling of the shooting incident. He commended

Chief Lowe, FAU Police Department staff, and all staff members that worked to move the university forward. President Brogan discussed the initiatives that the university will be testing and implementing for emergency procedures. He thanked Trustee Blosser for the work she's done to date as chairperson. President Brogan thanked Trustee Stilley for hosting the dinner for the BOT. President Brogan introduced Randy Goin as the new Board of Trustee Liaison. He invited the BOT to the dedication of the Plaza at the downtown Ft. Lauderdale campus. President Brogan welcomed Mr. Jarvis to the FAU family. President Brogan thanked all of the staff who worked on FAU's budget reduction plan. He reiterated that the budget reduction plan that is presented is his plan and he takes full responsibility for it.

Trustee Blosser honored Mr. Norman Tripp for his service on the FAU BOT. She presented him with a plaque and a resolution from the BOT. President Brogan extended his appreciation for Mr. Tripp's service on the BOT.

V. Welcome

Trustee Blosser asked Dr. Kristen Murtaugh to give the welcome for the John D. MacArthur Campus at Jupiter. Dr. Murtaugh welcomed the Trustees and thanked the staff involved with the coordination and set-up of the meeting. She invited them to tour the campus after the meeting.

VI. Strategic Planning Committee Trustee Scott Adams

Trustee Scott Adams reported that the Strategic Planning Committee met on May 7, 2008. One agenda items resulted in motions to come before the committee for approval. Due to the excellent attendance at that meeting, the item was fully vetted.

SP: A-1. Certification of Harbor Branch Oceanographic Institute Foundation as a Direct Support Organization.

With no further discussion there was a motion by Trustee Lalita Janke to approve agenda item listed by the committee as a whole. The motion was seconded by Trustee Armand Grossman. The motion passed unanimously.

VII. Committee on Academic and Student Affairs Trustee Armand Grossman

Trustee Armand Grossman reported that the Committee on Academic and Student Affairs met on May 7, 2008. Five agenda items resulted in motions to come before the committee for approval. Due to the excellent attendance at that meeting, these items were fully vetted.

AS: A-1. Approval of New Program: Masters Degree in Environmental Education. With no further discussion there was a motion by Trustee Lalita Janke to approve agenda item listed by the committee as a whole. The motion was seconded by Trustee William Bryant. The motion passed unanimously.

AS: A-2. Approval of FAU Regulation 4.007, Student Code of Conduct.

AS: A-3. Approval of FAU Regulation 4.014, Involuntary Medical Withdrawal

AS: A-4. Approval of FAU Regulation 4.013, Exceptional Circumstance Withdrawal

AS: A-5. Approval of FAU Regulation 4.004, Miscellaneous Student Rules

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Dr. Charles Brown noted that there were minor grammatical changes made to the regulations since they were vetted at the committee meeting. Mr. David Kian noted that none of the changes were substantive. With no further discussion there was a motion by Trustee Armand Grossman to approve the agenda items listed by the committee as a whole. The motion was seconded by Trustee Lalita Janke. The motion passed unanimously.

Trustee Blosser modified the agenda and asked Trustee Abraham "Abe" Cohen to present the Overview of Student Government Priorities.

XI. Overview of Student Government Priorities

Trustee Abraham Cohen gave an overview of the priorities for the Student Government (SG) for the 2008-09 school year. The priorities are:

- Making Student Government a resource by offering and bolstering services
- Organizing a Strategic Planning Committee to help increase student attendance at events and build school tradition
- Making the SG office recycle friendly and more sustainable
- Implementing "Keys to Success Interview Series"
- Proposing a history mural project to help bring a sense of community to students both past and present
- Implementing the Responsible Choice initiative to hold students more accountable for course selections, decrease the fail/withdraw rate, and lessen the workload of the Registrar's and advising offices
- Consolidating and coordinating university-wide communications/promotional materials
- Maximizing the representation of FAU across the State of Florida through the Florida Student Association

Trustee Lalita Janke positively commented on Trustee Cohen's presentation.

XI. Innovation Village Update

Trustee Blosser asked Mr. Kian to give a brief update on Innovation Village. FAU is continuing to move forward on developing the financial backing and simultaneously moving forward with the physical development of Innovation Village. There are three commitments to the Innovation Village project, the largest being a corporate sponsorship from SmileXpress at $1.25 million. The University is exploring strategies to maximize the revenue from a naming rights opportunity for the stadium. The University is seeking to integrate the corporate identity of a sponsor with the corporate identity of FAU. The University has moved forward with a competitive invitation to negotiate to solicit bids for the developmental rights to all 2400 beds that would eventually comprise the housing component of Innovation Village. The bid close date was May 19, 2008 and a selection committee is now considering the submissions. Any final recommendations will be brought to the BOT for approval.

The University is currently taking the appropriate steps to prepare for the physical development of Innovation Village. Construction has begun on the gateway projects to Innovation Village; the new FAU Recreation and Wellness Center and the Marlene and Harold Forkas Alumni Center. The first phase of the 600 bed apartment styled structure is currently in the design phase under the direction of an architectural firm. The 600 bed, apartment-style structure can be financed through bond

financing. A competitive selection process for the architectural and engineering services on the stadium has recently ended. A selection committee is in the process of evaluating submissions. A competitive selection process has begun for a construction manager for the stadium. Discussions have begun with the City of Boca Raton to address Innovation Village impacts in FAU's campus master plan.

In order to meet the 2010 opening for the stadium for Innovation Village, the financing plan must be finalized by Fall of 2008. If the plan is not final, the stadium opening will be pushed to 2011. In order to go to the bond market, FAU needs to have cash in-hand of approximately $10 million in net present value. The University does not have an exact target amount of funds needed in-hand because the amount is directly impacted by other commitments in terms of the annual revenue stream. This summer FAU is continuing to pursue philanthropic efforts, bringing to closure the invitation to negotiate on development rights, and negotiation with a possible naming rights partner.

IX. "FAU Alert" Emergency Planning and Communications System

Trustee Blosser asked Mr. Tom Donaudy to present the "FAU Alert" Emergency Planning and Communications System. Mr. Donaudy introduced the FAU Emergency Notification Sub-Committee which is comprised of representation from Information Resource Management Department, Division of Facilities, FAU Police, and the Communications and Marketing Division. Mr. Donaudy introduced Mr. Wayne Landowski to discuss the 2008 Hurricane Season preparation as well as the President's Continuity of Operations Plan (COOP). Mr. Landowski introduced Sharlene Sookhoo to discuss the emergency notifications systems. Ms. Sookhoo discussed the following notification systems detailed in the background information:

- Sirens
- Reverse 911
- My FAU
- E-mail
- FAU Home Webpage
- News Media
- Voicemail
- Hotline
- Web pages
- Building Personnel
- University Operator

Trustee Blosser asked if there was any Trustee who did not receive the test message on May 8, 2008. Mr. Tom Donaudy stated that Trustee Stilley did not receive the test message, but that is being worked out. He stated that the systems are complex, but will continue to be tested and evaluated. President Brogan added that there is no one system that could be put into place; there needs to be a redundancy of systems. He stated that people need to be educated on how to use the systems. This encompasses more than testing and retesting to ensure these systems work, but putting policies and communication systems in place to assure that the University knows how and when to activate these systems.

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XI. College of Business – Hospitality Management and Tourism Program Five-year Update

Trustee Blosser asked Dr. Dennis Coates to provide the update on the College of Business Hospitality Management and Tourism Program (HMTP). Dr. Coates stated the program was approved in Spring 2003 and launched in Fall 2004. The program has grown from three students to one hundred and eighty students enrolled. Dr. Coates gave an overview of the status of the program at its five-year mark with regards to enrollment, program highlights, corporate connections, and career placements.

Trustee David Feder asked if it would be a benefit to have the HMTP as a college separate from the College of Business (COB) and whether FAU would consider having a hotel on campus. Dr. Coates responded that FAU decided to develop the program within the COB to give legitimacy to the program due to the high quality of the COB and to sell the idea that the program is a management training and business program. Additionally, it is more efficient because the core business courses are used as an introduction for the students. Dr. Coates stated the idea of having a hotel on campus has been discussed; it would provide an academic laboratory where students can work. The COB will continue to explore the idea in the future. Trustee Feder stated that having a hotel on campus would be advantageous to the students. Trustee Blosser asked what the capacity for the program is and whether it is meeting community demand. Dr. Coates responded that the program is not at full capacity and could double to 400 students. Melissa Dallas, faculty advisor for the HMTP program added that students are placed both regionally and internationally. President Brogan commented that this program is growing in an exponential factor with exciting prospects for the future. Trustee Robert Stilley asked if there is a way to reach out to students and people in the industry to sharpen skills, raise money for the program, and build recognition for FAU. He also asked if a hotel was added that was not owned by FAU is there a way to generate revenue for FAU. Dr. Coates responded that the model that seems to work best for universities is to have the company build the hotel, have management pay FAU a percentage of the gross, and to design the facility to include classroom space and office space for faculty. Trustee Stilley asked about other programs for non-traditional students. Ms. Dallas commented that the HMTP has a faculty member doing training with the Palm Beach County Lodging Association and there are opportunities to generate auxiliary funds. Trustee Lalita Janke stated this would be a good topic for the Board Retreat in September.

VIII. 2008-09 FAU Budget Reduction Plan Overview Presentation

Trustee Blosser asked Dr. Ken Jessell to present an overview of the 2008-09 FAU Budget Reduction Plan. Dr. Jessell stated all of the major constituencies of FAU have had an active part in the process of creating the budget reduction plan. The plan that is being presented to the BOT has been fully vetted with many options considered. Dr. Jessell presented the budget reduction plan overview that was included in the background documentation. Dr. Jessell asked Dr. Pritchett to review the budget reductions by areas included in Academic Affairs:

- College of Architecture, Urban, and Public Affairs - $822,404
- Dorothy F. Schmidt College of Arts and Letters - $650,000
- Charles E. Schmidt College of Biomedical Science - $942,000
- Barry Kaye College of Business - $930,000
- College of Education - $1,100,000
- College of Engineering and Computer Science - $939,333
- Harriet L. Wilkes Honor College - $578,406
- Christine E. Lynn College of Nursing - $307,077
- Charles E. Schmidt College of Science - $400,000

- Information Resource Management - $902,000
- University Libraries - $322,311
- Undergraduate Programs - $327,000
- Center for Environmental Studies - $33,908
- Harbor Branch Oceanographic Institute - $ 503,361
- Vice President of Research's office - $20,623
- Provost (including Admissions, Registrar, and undergraduate programs) - $263,000

Dr. Ken Jessell presented the reductions by area for FAU:

- President's Area (President's office, General Counsel, Equal Opportunity Programs, Governmental Relations, and Inspector General's office) - $185,650
- Broward Campuses - $522,980
- Treasure Coast Campus - $135,423
- MacArthur Campus - $137,518
- Financial Affairs - $409,226
- Student Affairs - $171,078
- University Advancement - $109,577
- Facilities/Physical Plant - $1,173,685
- Communications - $94,275
- General Revenue Student Financial Aid - $73,440

Dr. Jessell discussed the additional funding initiatives and challenges going forward. He stated the budget reduction plan does not require a formal approval at this meeting; it will be vetted at the June 11, 2008, Audit and Finance Committee meeting, and will go to the full board for approval at the June 25, 2008 meeting. President Brogan stated the Budget Reduction Task Force tried to maintain the integrity of the new board approved Academic Master Plans. President Brogan reiterated that the budget reduction plan is the president's recommendations. Trustee Blosser thanked the Budget Reduction Task Force, the deans, and staff involved with the process. Trustee Stilley commented that it is impressive that there has been and incredible cooperation in planning of the reductions. Trustee Janke commended the Budget Reduction Task Force. Mr. Kian clarified that the presentation does not represent the agreement of faculty and staff to no salary increases. That line in the presentation stated that there was no legislation allocation for salary increases. The subject of the faculty's agreement not to seek a faculty increase is a subject of collective bargaining, which is currently underway. Trustee Eric Shaw stated that it has been two years since the faculty have received a salary increase, and, due to the budget reductions, faculty have taken a 12.5% reduction in salary for the summer which translates to a 10% reduction in the annual salary. In addition to less pay, faculty are teaching more classes with increased class sizes. FAU's faculty's salaries is 10% less than faculty salary at Florida International University and 20% less than faculty salaries at the University of Central Florida. Trustee Abraham Cohen thanked the Budget Reduction Task Force for not allowing the students to suffer the bulk of the budget reductions.

XI. Old Business

There was no old business.

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XIII. BOT Member Comments

Trustee Tom Workman stated that it is impressive that FAU is focusing on not impacting the students through the budget reduction process. He added that the Police department has done an excellent job providing security on campus for various events. Trustee Lalita Janke thanked President Brogan for providing the welcome for the National Women's Business Council held May 14, 2008. Trustee Stilley stated that the tremendous effort of the people of FAU is phenomenal. Trustee Armand Grossman commented on the thoughtfulness put into the budget reduction process by the Budget Reduction Task Force. Trustee Abe Cohen thanked Trustee Stilley for his hospitality at dinner the evening before. He added that even though FAU is facing hard times there is a way to take a negative experience and gain something positive from it. He has discussed with Dr. Jessell about providing a credit-building campaign for students. Trustee Eric Shaw stated that he appreciated being a part of the budget process by serving on the Budget Reduction Task Force. He added that despite limited resources FAU turns out high quality alumni. Trustee Blosser apologized for the last-minute modifications of the agenda. Trustee Scott Adams reinforced what was said about the Budget Reduction Task Force; he added that as a university, FAU needs to keep in mind there may be more work as far as reductions in the future. Trustee David Feder commented that this is an exciting time for FAU.

XIV. Public Comments

There were no public comments.

XV. Adjournment

The meeting adjourned at 3:05 p.m.

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