

**New College of Florida Board of Trustees
Approved Minutes of May 11, 2013 Meeting
Sudakoff Conference Center**

Trustees Participating: Chairman William Johnston; Rick Coe; Audrey Coleman; Daniel Ducassi; Bob Johnson; Elaine Keating; Keith Monda; Brad Baker and John Saputo (via teleconference); Felice Schulaner; George Skestos; Steve Snyder. **Not Participating:** Mary Ruiz.

Call to Order and Acknowledgement of Notice of Meeting

Chairman Johnston called the meeting to order at 10:10 AM. Ms. Janney stated that the notice of meeting was published on the New College website and in the Sarasota Herald-Tribune on May 1, 2013. The Chairman welcomed new Vice President for Advancement and Executive Director of the Foundation, Shannon Duvall, to the Board meeting.

Approval of Minutes

Trustee Schulaner moved to approve the Minutes of the BOT of March 2, 2013 with a correction to the name of the Gulf Coast Community Foundation on pages 1-2; her motion was seconded by Vice Chair Monda and approved by unanimous vote.

Chairman's Report

Chairman Johnston noted the fabulous recent victory of the New College Flag Football team over that of Ringling College of Art and Design and congratulated everyone involved. He commented on the very successful Picque-Nique Sur La Baie fashion show and luncheon fundraiser, and assured the Board they would hear more later in the meeting about it. He also commented on the "Fulbright Factory" editorial in the Sarasota Herald-Tribune and once again congratulated the winning students and their faculty advisors for the glory that their success in the national competition brings to New College. Chairman Johnston encouraged Trustee Ducassi to carry this message to all students at the next Towne Meeting. Since the BOT is by statute required to evaluate the performance of the President each year, Chairman Johnson announced that he has appointed an Ad Hoc Presidential Evaluation Committee for 2013, consisting of Trustee Monda, as Committee Chair, Trustee Coleman, and Trustee Ruiz, with himself as ex officio members. This Committee will hold an organization meeting at the conclusion of the BOT meeting today.

President's Report

President O'Shea recognized Ms. Shannon Duvall, new Vice President for Advancement and Executive Director of New College Foundation, Inc., who will start on Monday, May 13. He said the advancement/marketing position is the least understood position at colleges generally. No one questions the Provost or the CEO, but everyone has their own strategies for advancement. It is one of the most areas to staff; finding a real professional is difficult, but we now have one. Ms. Duvall has worked in a wide range of advancement positions and understands the underlying science and analytics. She is about to collect her Ph.D. from Michigan State University and we are delighted to welcome her to New College.

Turning to other matters, Dr. O'Shea noted that he is almost through his first year as President. He has just sent his list of annual activities to the Faculty Academic Status Committee for consideration in his annual evaluation. During the year, he has met with his direct reports once a week.. In a move he made to administer some "institutional hygiene" to the College, each unit prepared a set of goals for the year, plus a set of overarching goals and sub-goals which will be used to measure progress. The appearance of the campus has improved, and the Inauguration certainly was a great occasion; it put the College on the map for many attendees who are asked to rank New College for those ubiquitous surveys and we definitely owned the airways. One of his major goals is to better align the Foundation with the College and to rework the mission of the Foundation to focus on raising money for the College. The separate 501 (c) (3)

is merely a designation designed to allow the Foundation to hold investments for the College; it does not denote a separate culture or organizational unit. Ms. Duvall understands this and will raise the Foundation to new levels. As for finances, it looks as if the state came through for us: cuts have been restored, our \$1.5 million share of the \$300,000 million, plus half a million dollars in recurring funding for our good work in data analytics and we can build on this. A small amount of PECO funding trickled in (\$2 million) for capital work on the library, plus Plant Operation and Maintenance funds for the Car Museum as the tenant's lease continues. The Capital Improvement Trust Fund (CITF) is anticipated to pay out \$220,000 for work on student facilities. Our operating deficit is just about eliminated and we are looking quite good financially for next year. Admissions also is doing well; we targeted getting many more out-of-state students this year and exceeded our target. He attended Admissions/alumnae/i events in Washington, DC, New York City and Boston and this model will be repeated next year, doing some other things with guidance counselors. He commented that young alums are New College's best recruiters. It seems that the net tuition revenue will be up, but that remains to be seen.

On other fronts, the campus is becoming increasingly diverse. Although this issue took a back seat in the fall, the new Campus Committee on Diversity, Wellness and Campus Life met four times this spring and plans a substantial agenda for next year. The Committee's scope has broadened to include campus climate, or how different students feel on campus. Background, economics, race are all part of the mix.

President O'Shea noted that by design, strategic planning started late in the year. New College has "planning fatigue," he noted, and numerous planning documents have been produced over the last dozen years. He, Suzanne Janney and Julie Morris will review the planning documents to produce a short list of recurring issues and themes for two groups of Trustees, staff, faculty, students to consider in terms of finances and program before the end of June. His goal is to produce a plan for the next four years. From these groups, Dr. O'Shea said he would get a lot of ideas and a sense of direction, and then work them into a plan to be vetted in numerous iterations over the summer. There will be many opportunities for input. His ultimate goal is not to use all of our new funding to backfill the College's reserves, but to invest a small amount in new programs that will increase the funding available. He reminded the Trustees that our revenue sources are Admissions, the Foundation, the State Legislature and Other Sources, such as new programs and auxiliary services. He will look at a few of these and decide where to go. He advised that it would be prudent to look at the base funding and get the endowment draw down to a "best practices" amount of a quarter of a percent or a tenth of a percent per year.

Turning to a BOT issue, President O'Shea brought up the need for tuition waivers for Daughters for Life students. He explained that two months ago, Dan Boxser and Judge Charles Williams, introduced him to a Palestinian medical doctor, Izzeldin Abuelaish who had spoken at Temple Beth Israel. Dr. Abuelaish had trained and taken a position in Israel, although he lived in Gaza. An Israeli rocket hit his home and killed three of his daughters. This tragedy inspired him to set up a foundation to bring impoverished women from the Middle East (Egypt, Gaza, Syria, and Israel) to Canada and the U.S. for higher education in 2010. New College is about to enter an agreement with The Daughters for Life (DFL) Foundation to enroll as many as ten Middle Eastern women per year, starting in Fall 2014. The DFL will identify bright, needy students who are fluent in English and send their applications to the New College Admissions Office for review. Skype interviews will be held with each student. President O'Shea reported that the Board of Governors agreed that New College could charge in-state instead of out-of-state tuition for these DFL Scholars, so they will make the College more diverse and more international. The BOT would have to agree with this and waive tuition. New College Foundation is committed to providing \$2,500 per student toward room and board fees. The DFL Foundation will raise \$10,000 per student. Community interest in this initiative is high, and local fundraising is anticipated. As he had mentioned in March, President O'Shea reminded the BOT that he had gotten a \$12,000 grant from the Gulf Coast Community Foundation to fund a retreat on collaboration for heads of the local higher education institutions (Ringling College of Art & Design; Florida State University's Ringling Museum and Asolo Theater Complex, USF at Sarasota-Manatee, State College of Florida; and Eckerd) from June 8-10, 2013 in St. Pete. He already

has in mind sharing back office functions, courses, joint spousal hiring, food services, internet access; enterprise risk management; and a Title IX coordinator; and he knows that a large NYC foundation would fund institutional collaboration in these areas. He asked the Trustees to send him additional collaboration ideas. Moving on to current issues at the College, President O'Shea announced that Provost Miles had succeeded in hiring six tenure-track faculty members for next year. Also, he thanked the BOT for granting some base increases in salary, and said everyone was relieved that no layoffs were necessary. Student success abounds: the College finished the year with six Fulbrights, two Goldwaters, and the one Truman Scholarship awarded to Florida, not to mention the six French Government teaching assistantships, one Japanese Educational Teaching award, two US Department of State Critical Language Awards to China and Morocco, and a Gilman Scholarship to China. Under Jake Hartvigsen, the Communications & Marketing functions have been brought together, and Jake will be hard to replace, now that he is about to "graduate" from NC and start his own business. At the time of the departure of Dean of Students Wendy Bashant in February, the College was working with Archer~Martin on the Foundation search. Dr. O'Shea asked them to consult on the situation in Student Affairs. Their report identified a number of important issues. Tracy Murry has been named Interim Dean of Students, and there is quite a lot of work ahead related to student life and the reorganization of the unit. Associate Provost Raymonda Burgman is leaving to take an important position with HERS, and Provost Miles will replace her with a position that most liberal arts colleges have, a Dean of Studies, that oversees advising for all students and the efforts to retain them.

Dr. O'Shea thanked the BOT for their support throughout the year, and especially for their help in introducing him to the external community – he was out there approximately 2.4 hours each day he has been at New College, and was featured as the major attraction at 37 events. He thanked Trustee and former Senator Bob Johnson for introducing him to local legislators, and thanked all the Trustees for the privilege and opportunity of serving as President.

Foundation Report

Jessica Rogers, Vice President of Alumnae/i Affairs, thanked the Trustees, many of whom were patrons, for their support of the annual Pique-Nique sur la Baie in April. She also thanked the Co-Chairs, BJ Creighton, Kathy Coffey, Renee Hamad, and Pat Johnson for all their work in making the event a success and the students and staff for their contributions to a truly memorable event. The net profit was just over \$60,000 with the new addition of the silent and live auctions bringing in over \$29,000. The fashion sponsor, the MET, helped bring close to 100 individuals new to us for this event and the staff will be following up with these prospects over the coming months. The Foundation expects to receive the final 10 percent of the Searing residual estate before the end of the fiscal year and we have been notified that the amount will be \$400,000.00 plus interest. Rogers thanked everyone for their participation in the Giving Challenge that took place on March 5 and 6 and reported that approximately \$102,809.00 was raised from 541alums, community friends, faculty, staff, students, parents and board members. Foundation staff developed a comprehensive 120-day orientation plan to help VP Duvall successfully transition to her new role. The end of fiscal year focus will be on introducing her to our current and potential donors and wrapping up the annual fund solicitations via phone calls, snail mail and emails.

Audit Committee Report

Since Committee Chair Ruiz had to leave for a funeral right after the Audit Committee meeting, Vice President Martin reported on the meeting earlier in the morning. The January 2013 Internal Audit covered Business Office functions including P-Card purchases, budget adoption and amendments and red flag rules; grants managed by the Research Programs office; certain College information systems processes; and allocations/disbursements managed by the Student Alliance office.

There were four findings, all related to the use of Purchasing Cards (P-Cards).The Committee reviewed and the College's responses to the findings and found the corrective actions proposed to be appropriate.

The Committee also reviewed the FY 2012-13 Operating and Capital Budget Status for the Third Quarter ending March 31, 2013, and the Foundation's FY 2012-13 Budget Status for the Third Quarter ending on March 31, 2013. VP Martin provided a report on the 2013 Legislative Session General Appropriation Act. Trustee Ducassi asked about the IRS Audit of the New College Development Corporation; VP Martin responded that the College had heard nothing from the IRS since submitting the requested information on January 29, 2013. He believes that no news is good news and remains confident that the IRS will find no pressing issues.

External Affairs Committee Report

Committee Chairman Monda reported that they had reviewed the admissions report on the incoming class earlier in the morning and that it looks very promising; the new admissions materials are very good. They received a comprehensive update on the Foundation's campaign from Ms. Rogers, and a status report on this year's integration of Communications & Marketing from Jake Hartvigsen. He gave the Committee a list of things to think about for the future. Chairman Monda thanked Mr. Hartvigsen for a very productive meeting and wished him well in his new venture.

Finance and Administration Committee Report

VP Martin reported that the Committee had no action items for the BOT at this meeting. He is projecting a relatively small deficit at the end of this fiscal year due to fewer out-of-state students than expected, but that the estimated \$150,000 shortfall will be covered by cash reserves. At the beginning of the current fiscal year, the College had \$3.9 million in cash reserves; we have now used \$2.4 million and have \$1 million remaining for operating needs. We need to maintain 5 % of our operating budget as our statutory reserve fund, or \$1 million. With the expected legislative allocations for next year, the College is getting its head above water and should have a balanced budget going into the next fiscal year on July 1, 2013. He noted that the Housing budget had \$100,000 more in expenditures than anticipated, due to the need to renovate and replace all furniture, wireless enhancements (after more than a dozen years of wear and tear) in Dort and Goldstein halls. As for funded capital construction, VP Martin noted that while PECO appropriations are significantly less than in past years, the College has completed the Cook Library roof replacement, and is engaged in replacement of one of the three original HVAC systems, plus related building/safety code improvements. A joint project with FSU-Ringling Complex to retrofit the Chiller Plant servicing both institutions to significantly improve operating efficiency and reduce costs is underway. The \$1.3 million project (NCF share is \$650,000) is scheduled for completion in May.

College investment interest earnings for the first nine months totaled \$186,588 or \$69,571 less than last year at this time. The decrease is due to lower interest rates and lower investment balances, the result of having spent down reserves. Cash reserve reports reflect a beginning 2012-13 fund balance (restricted and non-restricted) available to support E&G operations of approximately \$3.9 million. At this time, fund balance uses during FY 2012-13 are projected to total approximately \$2.4 million of which \$1.4 million is projected to fund recurring E&G costs. New revenue totaling \$173,000 is expected to net against these expenditures, leaving a projected \$1.6 million in restricted and unrestricted fund balance remaining as of June 30, 2013, inclusive of the required 5% (\$1 million) statutory reserve.

Review of the Foundation's FY 2013-13 Third Quarter Budget Status noted a projected operating and unrestricted funded college support payment deficit of about \$80,000, which the Foundation Board plans to fund from the forthcoming Searing residual estate payment estimated at \$400,000. The fiscal year 2013-14 budgets for both Foundation Operations and College Support will be available by the end of June. The Foundation's investments under SEI management earned 6.6% for the quarter, and the year-to-date return was an excellent 12% net.

VP Martin reviewed a chart comparing 2012-13 adjusted E&G appropriations to the 2013-14 appropriations bill passed by the Legislature. Highlights include \$500,000 in new recurring funding for

the Data Science and Analytics initiative, \$630,000 in new recurring funding for plant operations and maintenance and restoration of \$1.5 million in non-recurring funds cut from the 12-13 budget. The Legislature funded a recurring salary increase, the first since 2007 that will provide a \$1,400 base increase to employees earning \$40,000 or less and a \$1,000 base increase to employees earning over \$40,000. The Legislature also funded a \$600 bonus that can be awarded to 35% of College employees. This is the best budget the College has experienced since 2007 and should allow the College to eliminate reliance on cash reserves in the coming year to fund recurring operating costs. VP Martin also noted that although the Legislature approved a 3% base tuition increase, Governor Scott will most likely veto it. Additionally, the College should receive \$2.1 million to complete heating/ventilation/air conditioning and building/life safety code upgrades to Cook Library, \$248,800 to support remodeling/renovation/repair/maintenance in E&G buildings and \$228,500 in capital improvement fee monies for student supported facilities including Ham Center, Fitness Center/Pool, 4 Winds Cafe, and the Waterfront Program.

A Public Hearing on Proposed Revisions to Regulation 3-1002 Setting Tuition and Fees for Academic Year 2013-2014 was held as part of the Committee meeting. VP Martin explained that because of the timing of the legislative session, it is not possible to develop and adopt tuition and fee regulations until the June BOT meeting each year. The public hearing provides students and faculty an opportunity to provide input with regard to the proposed tuition and fees schedule before they leave campus for the summer. Staff and the general public are invited to comment as well. Prior to this meeting, VP Martin and Mr. Lawhon met with the Student Fee Committee to discuss A&S, Health, Athletic and Capital improvement fees. Lively discussion and comments on certain fees, including housing fees and the capital improvement fee, were registered at today's hearing. The next 30 days will be open for further public comments and then the final decision on tuition and fees will be made by the Trustees at the June 15 BOT Meeting.

BOT Action on NCF Equity Report 2013

Ms. Yvette Thornton, Director of Human Resources, presented the 2013 NCF Equity Report for board consideration. She explained that the Florida Educational Equity Act and the State University System employment equity accountability program, as spelled out in Florida Statutes and Rules, require each state university to participate in an Equity Accountability Program (EAP) and to prepare an annual report on the progress made in improving diversity during the past year in student enrollment, and in hiring and promoting faculty and senior administrators from Protected Groups. The 2013 Florida Equity Report provides data on these categories for the period of July 1, 2011 to June 30, 2012. A budgetary incentive plan to support the achievement of equity goals and implementation strategies for FY 2013-2014 is included at the end of the report. As the Equity Officer for New College, Ms. Thornton coordinates the Report and provides the Executive/Managerial information, with help from Ms. Catherine Sinclair, who contributed the enrollment and financial aid information; Ms. Julie Morris, who provided the faculty information; Tracy Murry, who provided information on Student Services; Dr. Hui-Min Wen, who provided the data used to compile the charts. The report's Executive Summary touches on the progress made in attracting students with protected characteristics in the areas of student enrollment and persistence to degree over a five-year period. During the year of this report we improved by 4% in enrollment of First-Time-in-College Hispanic students and by 1.9% in enrollment of Black students. Over the five year period between 2007 and 2012, the number of Black tenured faculty has increased to 2, which was a 100% increase; Hispanic tenured faculty numbers were stable during the short term, however the numbers declined by one over the five year period. New College continues to make strides in diversifying the Executive/Administrative/Managerial employee ranks. Compared to 2007, there were 3 Black employees, which was the same in 2012. Asian employees have remained steady and we increased our Hispanic employees by one over the five-year period. New College will continue its commitment to increase employment for all Protected Groups. As the Equity Officer and the Director of Human Resources, Ms. Thornton will continue to cultivate relationships with local diversity-oriented

organizations and with job placement organizations to enhance the recruitment of those in protected classes/minorities. In response to a question from Trustee Ducassi, Ms. Thornton listed several of the local organizations she works with in recruiting diverse staff. Trustee Coleman asked if the Diversity Committee was still in operation, and was assured that it was being continued as a Committee of the Whole on Diversity, Wellness and Campus Life. Since there were no further questions, Ms. Thornton asked for a motion to approve the report. Trustee Monda moved to approve the 2013 NCF Florida Equity Report as presented and submit it to the Florida Board of Governors for the Commissioner of Education and the State Board of Education, seconded by Trustee Schulaner, and the motion was adopted by unanimous vote.

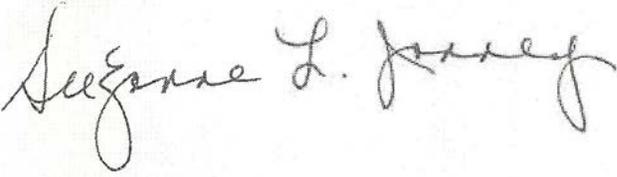
Preview of New Scholars New College on May 24: Student Research Presentations

Ms. Jeanne Viviani introduced four outstanding student who discussed their various research and thesis projects which have led to their winning competitive awards. Andrew Kotick, a graduating senior who majored in European history, will enter a fully-funded Master's program in French History at New York University; Andrew also won a French Government Teaching Assistantship, one of a record six such awards that went to New College students this year. Jillian True, a graduating senior in Biology working under Dr. Amy Clore on gene research related to corn, received full funding for her doctoral program in Genetics at Indiana University after completing a portion of her senior research there. Timothy Duff, a 3rd year Mathematics student, who spent two summers in research internships at the Lovelace Respiratory Institute in New Mexico, was awarded a Goldwater Scholarship for excellence in math and science this spring; he will attend a mathematics NSF-REU program at the University of California at Berkeley this summer, and plans to enter graduate school at Berkeley or a similarly excellent program elsewhere. Stephanie Larumbe, a 3rd year Psychology student, spent an ISP in Uganda working with orphans to chart their memory reactions after enduring post-traumatic stress. Ms. Viviani encouraged the Trustees to bring their friends and neighbors to the New Scholars New College research showcase on Thursday, May 24 in Sudakoff to see many more talented New College students present their research projects. Keynote speakers will be New College alum Robert Hans, '80, founder and CEO, IOS Partners, an international consulting firm in Miami, and Tristan Zucker, '12, former IOS intern, now an analyst at Cornerstone Partners in Boston.

Vice President for Advancement Shannon Duvall thanked Jessica Rogers and the Foundation staff for all of their good work to keep the Foundation on target during the interim period, and also thanked the Trustee for the time, talent, and treasure that they bring to New College.

Since there was no further business before the Board, the meeting was adjourned at 11:20 am.

Respectfully submitted,



Suzanne Janney
Special Assistant to the President
Assistant Secretary, Board of Trustees

Seal