

**New College of Florida Board of Trustees**  
**Approved Minutes**  
**Meeting of May 14, 2011**

**Trustees Participating:** Rick Coe; Audrey R. Coleman; Chairman Robert M. Johnson;; Keith Monda; Oliver Peckham; J. Robert Peterson; Mary Ruiz; Felice Schulaner. **Not Participating:** William R. Johnston; Elaine Keating; Walter “Mickey” Presha; Vicki Raeburn; John Saputo;

**Call to Order & Approval of Minutes**

Chairman Johnson called the meeting to order at 10:00 AM and confirmed that the public notice of meeting had been published on May 3, 2011. Trustee Ruiz moved to approve the Draft Minutes of the BOT Meeting of March 5, seconded by Trustee Monda and the Minutes were approved as presented by unanimous vote.

**Chairman’s Report**

Chairman Johnson announced the summer dress code for men did not include ties and jackets. He appointed the members of the 2011 Ad Hoc Committee on Presidential Evaluation: Trustee Keating, Chair; Bill Johnston and Felice Schulaner. He said he would serve as an ex officio member of the Committee. Each Trustee will receive an evaluation form, as in the past. Chairman Johnson acknowledged that he had been honored and humbled by the dedication of the Four Winds Sculpture to him on April 15; he hoped that it generated good will for New College in the community. He thanked everyone involved and noted that the sculpture is beautiful. Chairman Johnson added that he was particularly honored to have the sculpture located in Koski Plaza. Bob and Bev Koski have been his friends for many years and he is proud to be associated with them.

**President’s Report**

President Michalson thanked the Chairman for providing the occasion for the dedication. He thanked the Trustees for their commitment to New College and reminded them that they were welcome to revisit their Board’s decision to hold meeting on Saturdays. Taking a 30,000 foot view of the budget situation, he noted the unfortunate trend that whittled away at need-based financial aid. Florida’s state university tuition remains the 48<sup>th</sup> lowest in the nation, while the state is touting growing excellence; there is a serious disconnect in this situation, and the state has some catching up to do. He does not think a gubernatorial veto will jeopardize the legislature’s recently-delivered budget; the \$500,000 of new, non-recurring revenue allocated to New College remains secure unless the Governor vetoes the entire SUS budget. Similarly, the PECO items seem secure at this point, although nothing is guaranteed. His office is checking frequently on the progress of the Governor’s consideration of the reappointment of Vice Chair Keating for a second term, and the replacement of term-limited Trustees Presha and Raeburn. Capital improvements have been significant for the campus: the College looks prosperous now because of the new building going up in the plaza and the fact that it’s paid for. The plaza is a special space with a signature building and bears the Koski name. President Michalson said that he and Trustee Coe, Professor of Economics, completed chairing an Ad Hoc Committee on Recruiting and Retaining Faculty of Color, joined by Trustee Schulaner. A report on the Committee’s work will be out soon. It is likely that Dr. Michalson will reconstitute the Diversity Committee that he chaired from 2001-04. That Committee discovered a close correlation between campus diversity and campus climate and ethos. Then the responsibility for promoting and ensuring diversity shifted to the Provost’s Office and a series of consultants’ visits and special programs were instituted. This year’s Committee focused on faculty recruitment. President Michalson noted that the faculty and students continue doing amazing work. Thesis season is really challenging for both the seniors

and the faculty. Since he still teaches, he sits on multiple baccalaureate committees and really gets a sense of the creative work being done. At the end of the year, after all the senior theses have been vetted and graduation has taken place, faculty members still face a raft of narrative evaluation to write for their continuing students. The collective dedication of the faculty to these tasks is most impressive. President Michalson turned to the on-going discussion of student life governance issues. As a good faith gesture, an Emergency Decree issued by his office in 2008 to shut down parties at 2:00 in the morning was rescinded so that campus safety and noise issues at night could be managed by the student government. The larger issue now is how to make policies governing student life with a silent majority that wants its views respected. He thanked Trustee Oliver Peckham and Michael Long, who serve as Co-Presidents of the New College Student Alliance, and Dean of Students Wendy Bashant, for their steadfast involvement in these issues. Dr. Michalson noted that he wants to put the BOT in a position to undertake a presidential search for his successor in the coming year. He has been honored by the trust the BOT has had in him, and he has taken the responsibility for the safety, viability, and financial stability of the College all these years very seriously. He has felt the weight of this awesome responsibility every day for the past ten years, and he will express his appreciation more formally later on. Before concluding, President Michalson noted that the commencement speaker, Dr. Helen Fagin, was a very popular choice with students and faculty. The incoming class of 167 is reasonably large. Although the number of completed applications was down this year, the College, the yield of admitted students is up and incoming class appears strong and robust. Some fine-tuning of our enrollment management strategies should enable us to have about 800 students each year.

Chairman Johnson affirmed that Ms. Janney would continue as Assistant Secretary to the BOT. He pointed out that the delay in making the three gubernatorial appointments to the BOT has impacted his reorganization of the BOT committees. However, he will soon appoint a small committee of about 12 to manage the Presidential Search, which he will chair, with two members coming from the Trustees, two from the Foundation Board, two alums, two students, and two community leaders.

### **New College Foundation Report**

Foundation Vice President Dennis Stover provided a snapshot of the Foundation's operations. He noted that the picture looks better this year as compared to the end of the third quarter last year. Operational revenue has increased by \$303,077, due to two major factors: (a) more individual, corporate and foundation gifts and (b) increased event revenue. The fund balance in the Foundation's investment accounts managed by Northern Trust has increased by nearly \$2 million (thanks primarily to improved market conditions over the past 12 months), to just over \$30 million today, compared with \$28 million a year ago. The high mark in the second quarter of 2008 was just over \$34 million. Total funds raised compared to a year ago are up nearly \$600,000. This includes both operational and dedicated funds. Other good news: cumulative gifts over \$5,000 at this time last year represented 45 donors as compared to 68 donors this year, an increase of 23. Planned gifts last year totaled six, amounting to \$2.4 million, and this year increased to 14, totaling \$5.1 million. These numbers show positive growth trends, which is very important to the Foundation as it begins ramping up for the seven-year capital campaign, the "New College Promise Campaign." Alum annual giving is increasing and half of the planned gifts this year are from alums. From the alum Phon-a-thon, the Foundation has almost reached the goal of \$65,000 for this year. The external consultants, CCS, who conducted the feasibility study for the Campaign concluded that a goal of \$60 million should be set as the target for the seven year campaign, including this first "soft" year. Many people helped guide this process and continue to help in the planning. The final case statement and materials should be ready at the end of June. A President's Cabinet chaired by Trustee Schulaner which includes both Mike Michalson, College President, and Andy Walker, Foundation President, has conducted two trial runs, or informal "leadership briefings" to get the system down. They plan to have up to 12 more

in the next eight months, both locally and in parts of the country where there are high concentrations of alums. The briefings are targeted to prospective Campaign Champions who will give \$10,000 or more per year for the next three years to help offset the cost of a comprehensive campaign. Currently in hand are commitments from two Foundation board members to serve as Campaign Champions for each of the next three years. New College Library Association had a successful Picque-Nique netting more than \$54,000 in April. They are currently planning to host an exhibit here early next year from the National Holocaust Museum. The volunteers are exploring aggressive major gift fundraising that will tie into the Campaign in coming years to support the library. Upcoming events include the National and International Student Awards Reception on Tuesday, May 17, from 4:00 to 6:00 pm, and a reception celebrating the retirement of Mary Lou Wingerter Couch after 46 years on Sunday, May 22, from 2:00 to 4:00 pm. Mr. Stover noted that while she is leaving her post at the Foundation, she is not putting aside her commitment to New College. Before concluding his report, he announced two recent grants: \$23,000 from the Selby Foundation for equipment for the Black Box Theater and a nearly \$12,000 grant from the Sarasota County Tourist Development Council for New Music New College. Both will benefit New College in the community.

Chairman Johnson asked about the status of the 1960 Society, and Mr. Stover reported that it had raised a total of \$270,000, below the target stretch goal of \$400,000. He added that the Foundation is now looking at the 1960 Society as a new annual appeal (which has netted \$30,000 to \$40,000 per year in the past).

### **External Affairs Committee Report**

Director of Public Affairs Jake Hartvigsen reported on an energetic and lively meeting held earlier in the morning. The Committee discussed the timely and thorough coverage of the six New College Fulbrighters this year, from the Herald-Tribune, ABC-7, SNN-6 and the Bradenton Herald, plus individual releases on the six students and recorded video clips on the Herald-Tribune media site. They also discussed the abbreviated version of New College Magazine just back from the printer. This year Public Affairs will bundle the History publication with the Magazine and send both together to all members of the New College community: faculty, staff, parents, prospective students, etc. As has been done for the past eight years, the College will purchase Commencement ads in the Sarasota Herald-Tribune and the Bradenton Herald, noting the accomplishments of students and faculty. It will be a full-page ad in the Bradenton Herald, a nearly full page in the Observer Group papers and the Pelican Press, and a two-thirds page ad in the Herald-Tribune, due to cost considerations. Mr. Hartvigsen went on to describe a key project of Public Affairs, the redesign and revamping of the New College website. The College received a \$2 million grant from Campus EAI, a consortium of institutions, to create a portal with private tech support for servers previously maintained by the NCF IT department. This has freed the College up, using the platform EAI will provide, to revamp the website and improve our brand recognition. Trustee Peckham and Michael Long, NCSA Co-Presidents, put together a focus group to understand what 17-18 year students want in a college. The College also has looked at market research on this topic. Trustees Monda and Coleman made valuable contributions to the discussion by asking how we were reaching out to understand the way guidance counselors go about their work, and how we planned to set and measure benchmarks. Mr. Hartvigsen concluded his report by thanking Trustee Saputo and Gold Coast Eagle Distributers for their willingness to produce banners for events, from the Anniversary Weekend to Commencement, that were hung on College Hall and in other locations. He also thanked his staff in Public Affairs for their outstanding work on Anniversary and regular activities: Linda Joffe, Frank Bonilla, Alex Kostova, Lynn Reichmann, Helena Dean, and Jeff Thomas. Together, they have made a great contribution to the College's outreach over the past year. Chairman Johnson added that he hopes to see more in the news about New College as an economic engine: providing jobs, salaries, housing, visiting parents and scholars supporting the economy, etc.

## Finance & Administration Committee Report

Vice President John Martin reported in the meeting earlier in the morning which resulted in a number of items recommended for BOT action:

- Proposed Regulation 3-2008, Electronic Funds Transfer – was posted for 30 days for public comment on the NCF website for 30 days, but no comments have been received. The Committee recommends adoption. Trustee Peterson moved to adopt the Regulation as presented, Trustee Ruiz seconded, and Regulation 3-2008, Electronic Funds Transfer, was adopted unanimously.

Chairman Johnson stated that the next set of items for consideration are simply to approve advancing the process of Statutory Rulemaking, they are not the final action on these rules. By way of additional background, General Counsel David Smolker explained that normally the BOT makes policy under a Regulation Adoption Process; this process was implemented by the Board of Governors after its creation following the passage of Amendment 11 in 2002. A residual separation of powers issue ensued, involving the question of whether the state universities would be required to undertake the complex Statutory Rulemaking process prescribed under Chapter 120 of State Statutes like all other state agencies for all policies. A settlement was reached in March 2010 by the Governor, the Legislature, and the Board of Governors, requiring the universities to undertake Rulemaking only on certain legislatively-mandated issues. Each university reviewed its regulations which were mandated by statute and New College found that it needed to seek its BOT's authority to initiate Statutory Rulemaking in two areas: the Regulation of Direct Support Organizations (in this case, New College Foundation), and the Regulation of Appointment, Employment, and Removal of University Police.

- Proposed Rule 6C11-5.004 New College of Florida; Direct Support Organization

Mr. Smolker recommended that the BOT authorize initiation of rulemaking for the Proposed Rule 6C11-5.004, to be considered for adoption; this Rule sets the parameters for operation of the DSO under the President of the College and the BOT. One issue that arose in the Finance and Administration Committee was clarification of how the President and the BOT are to be involved in managing budgetary approval for the DSO. This issue will be clarified before June 18, 2011 when the Rule will be back to the BOT for adoption. Today, Counsel Smolker asked for: (1) the authority to initiate the process; (2) authorization of the publication of the Notice of Rule Development for Proposed Rule 6C11-5.004; (3) authorization of the publication of the Notice of Proposed Rulemaking for the Proposed Rule; and (4) authorization to schedule a public hearing on the Proposed Rule if an affected person requests such a hearing. He said the bottom line was that the BOT does not want to become the Board of the Foundation, but the BOT must be kept informed of what is going on at the Foundation in a more formal way. Trustee Schulaner so moved, seconded by Trustee Ruiz, and the motion was approved by unanimous vote. The rulemaking process for Proposed Rule 6C11-5.004 in all four categories was approved unanimously.

- Rule 6C11-8.017 New College of Florida; Appointment, Employment and Removal of University Police

Counsel Smolker introduced the second statute-mandated Rule requiring the Board to set forth minimum standards for qualifications and certification of university police, to specify standards for continued employment, and to impose a duty to report and

investigate any act of misconduct, and to specify processes for removal. He recommended that the BOT (1) authorize the initiation of rulemaking for this draft Rule; (2) authorize the publication of the Notice of Rule Development for it; (3) authorize the publication of the Notice of Proposed Rulemaking for it; and (4) authorize scheduling a hearing on the proposed rule if requested. Trustee Monda so moved, seconded by Trustee Schulaner, and the motion carried by unanimous vote.

VP Martin also reported that as part of the Committee Meeting, a Public Hearing was held on Proposed Regulation 3-1002, Tuition and Fees for FY 2011-12. It will come before the BOT at the June 18 meeting. The primary concern at the hearing was the 5% increase in housing room rates, which is related to the housing bond and the cost to New College of covering it. He alluded to a greatly-expanded Duke TIP summer program in the planning stages for Summer 2012, which has its own logistical challenges of getting New College students out of the residence halls in time for the halls to be readied for the Duke TIPsters, but the housing revenue generated by such a program would be very welcome. He noted that the Preliminary Operating Budget for 2011-12 would be ready for the BOT on June 18, but the final Operating Budget will not be final until November. No action is required now, but the College is moving forward with tuition and fees.

Trustees were provided with a report on the current year's Operating Budget as of the third quarter. A \$230,000 surplus of E&G funds is projected, due to the frugality of the operating units over the course of the year and this surplus is expected to be even higher by year's end. The outlook for next year is not nearly as positive. Mr. Martin led the Board through a detailed discussion of operating budget year comparisons and predictions, concluding that the College will add to its reserves this year, but soon will be drawing down reserves in FY 2011-12 to make up for the loss of \$1.2 million in federal stimulus money which was expected, plus a cut in excess of \$1 million in general revenue and a \$227,000 reduction in need-based scholarship aid. In addition, the legislature reduced employee retirement benefits equivalent to a 3% salary reduction that all College employees will have to absorb. The College was fortunate to receive a special appropriation of \$500,000 in one-time funding to soften the cuts somewhat thanks, in large part, to strong support by Rep. Denise Grimsley, Chair of the House Appropriations Committee.

The College entered FY 2010-11 with a revenue shortfall of approximately \$2 million. A funding model was developed at the beginning of the current fiscal year to guide the College in addressing the shortfall over the next three years. The College was well on its way to erasing the deficit but the severity of the additional cuts just imposed presents a serious challenge that has significant potential to erode the quality of the academic program and support services. New College has not had to tap its reserves yet to make up for budget cuts, but that will not be the case next year.

Chairman Johnson commented that the overall continuing weak condition of the State's economy means that maintaining the quality of public education in Florida will depend more than ever on private dollars. Trustee Ruiz asked about the kind of balance Mr. Martin had in mind between reserves and expenses. Mr. Martin responded that he was working on some models, including reducing expenses by \$255,000, but that he was not yet in a position to discuss the balances between reserves and expenses.

- New College of Florida Equity Report 2011 (data year 2009-10)

Ms. Yvette Thornton, Associate Director of Human Resources and Equity Officer at New College, introduced the Florida Equity Report for 2011 which provides information on progress made in improving diversity in undergraduate enrollment and in hiring and promoting faculty and senior administrators from protected groups. Florida Statute 1012.95 requires each state university to participate in an Equity Accountability Program and to report annually to the Florida Board of Governors, after the report is approved by their individual BOTs. During the data year covered by the report, Ms. Thornton noted a 1.2% improvement in the enrollment of FTIC

Hispanic students and a 0.1% in enrollment of American Indian/Alaskan native students, although the College lost ground in the enrollment of Black and Asian students. However, students from underrepresented groups comprised 16.3% of the Fall 2010 entering class. Between 2009-10 and 2010-11, the number of tenured Black faculty doubled from 1 to 2, a 100% increase. One Black female faculty member was granted tenure, while two Black female faculty left the College, resulting in a 100% decline in tenure-track Black females. One Non Resident Alien and two Asian faculty members continued their progress toward tenure. One tenure-track Hispanic earned tenure. New College continued its commitment to diversify its Executive/ Administrative/ Managerial ranks, although there were no changes reported in the data year. New College has committed \$188,600 to diversification efforts under the Equity Accountability Program for 2011-12, as identified in the Budgetary Incentive Plan, an increase over last year's commitment. Ms. Thornton asked the Board to approve the NCF Equity Report for 2011 for submission to the Florida Board of Governors. Trustee Coe so moved, seconded by Trustee Monda, and the motion was unanimously approved. Trustee Coleman asked for the number of African-American student enrolled in New College; the current number is 12, or 1.5% of the total enrollment.

#### **Introduction of Newly-Tenured Faculty Members**

Provost Callahan introduced the two faculty members who were granted tenure by the BOT in March, but were unable to be present: Associate Professor of Art, Kim Anderson and Associate Professor of History, Robert Johnson. Both are popular, productive and engaged young scholars and teachers. They thanked the BOT in turn and were applauded for their accomplishments.

#### **Introduction of Several National Fellowship Winners for 2011-12**

President Michalson introduced several of the New College National Fellowship winners: Cody Gunton, Goldwater Scholar; Fulbright Scholars Adam Breshnahan, Danielle Korngold, and Ryan Tisdale, who described the program they would follow next year under their grant funding.

#### **Other Business**

Chairman Johnson asked President Michalson to leave the room. The Chairman asked for a resolution to rename the Bob Johnson Residence Hall the Gordon E. Michalson, Jr. Residence Hall and it was enthusiastically approved by acclamation.

#### **Adjournment**

Since there was no further business before the Board, the meeting was adjourned at 12:15 PM.

Respectfully submitted,

Suzanne L. Janney  
Assistant Secretary

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