

**New College of Florida Board of Trustees  
Approved Minutes  
Special Meeting of August 1, 2005**

**Members Participating:** John Cranor; Rev. Jerome Dupree; Dr. Keith Fitzgerald; Gen. Rolland V. Heiser; Bob Johnson; Jane Smiley. **Participating via Teleconference:** Warren Hudson; Major Gen. Raymond E. Mason; Kenneth Misemer; Col. Mickey Presha. **Ex Officio:** Gordon E. Michalson, Jr., President. **Not participating:** Brian Cody; Dr. Vicki Raeburn; Alexis Simendinger.

**Call to Order**

Chairman Johnson called the meeting to order at 10:00 A.M.

**Acknowledgement of Notice of Meeting**

Chairman Johnson requested and received acknowledgement that the meeting had been duly noticed on July 23, 2005.

**Approval of Minutes**

Chairman Johnson asked for approval of the Minutes of the Meeting of June 22, 2005. General Heiser so moved, seconded by Reverend Dupree, and the motion was approved unanimously.

Chairman Johnson asked President Michalson to introduce Dr. Wendy Bashant, new Dean of Students, and who did so, stating that he was very glad to welcome her to New College from her former position as a tenured professor of English at Coe College in Iowa. The Chairman also confirmed that Trustees Presha, Mason, Misemer, and Hudson were connected to the meeting via teleconference.

**BOT Action on Capital Improvement Plan (CIP) 2006-2011**

Vice President Martin explained that he has been working on the five-year rolling Capital Improvement Plan (CIP) with the Board of Governors' staff. On August 29-30, an Educational Plant Survey team will be on campus to verify that our space usage is as described, and that our CIP request is in keeping with the Campus Master Plan and the BOG formula for space determination. The state formula is based primarily on student FTE (Full Time Enrollment) and was never intended for an institution as small as New College. According to the formula, New College is greatly "overbuilt." The BOG recognizes that this is a problem, since we urgently need more usable new space. The NCF CIP for FY 2001-2002 included a request for a new building, which has been included on every subsequent CIP request. If NCF's need for new space were determined strictly by the formula, the College would be ineligible. It is critical that New College be "survey approved" by the by the Educational Plant Survey, so the projects will be eligible to be considered for placement on the BOG's recommended project list for legislative and gubernatorial approval. We have submitted a Space File based on the 2003 New College/USF Sarasota-Manatee Footprint. It will be amended after USF S-M moves. The proposed CIP for 2006-2011 details funding needs for this five-year period. The upcoming 2005 Update of the Campus Master Plan will guide development of the next CIP for the period 2007-2012. Although the proposed CIP's 1<sup>st</sup> highest priority request remains that for critical deferred maintenance and utilities/infrastructure support, etc., and 4<sup>th</sup> priority request remains land acquisition funds, VP Martin pointed out two important changes the BOT is being asked to consider in the proposed CIP's second and third priorities:

- (1) The 3<sup>rd</sup> highest priority, "Academic Classroom Faculty Offices and Administrative Support Space," becomes the #2 priority. He explained that this new academic/support facility should be moved up to #2 priority to position it better to possibly receive planning funds.
- (2) The 2<sup>nd</sup> highest priority, "Remodeling of Knight house, Parkview House, and Westside Student Center," becomes the #3 priority, with the deletion of the Knight House from the request. The Knight house is now zoned for single family/residential usage, and until we know what future use it will be put to, it is premature to include it. The proposed #3 priority for "Remodeling" will focus on Parkview and the Westside Student Center, which reduces the total amount of the request from \$990,000 to \$700,000.

With respect to the Fixed Capital Outlay Project Request, Mr. Martin explained that an increase in the authority to issue revenue bonds for projects is necessary because it better is ask for more authority at the outset than to go back later with an additional request. The proposed request seeks to increase bonding authority from the \$28 million, previously authorized by the Legislature that is valid up to June 30, 2006, to \$40 million, now that remodeling Hamilton Center has been added to the scope of the project. There is no way New College could afford to bond the full \$40 million, but it is prudent to seek more than sufficient bonding authority to allow a reasonable amount of flexibility in designing and costing the project. Mr. Martin stated that a very detailed bonding and financing plan, with specific recommendations for bonding would be presented for BOT approval within a few months. Rev. Dupree moved that the four changes in the CIP for 2006-2011 be approved: two changes in priority requests, so that #3 becomes #2, and #2 becomes #3; the remodeling request (changed

from #2 becoming #3) eliminates the Knight house and is reduced to \$700,000; and bonding authority is increased to \$40 million and that, at Mr. Martin's request, the Board finds that remodeling Parkview and Westside Student Center is consistent with the Amendment to the 1995 Master Plan presented to the Board and adopted on June 22, 2005. The motion was seconded by Trustee Cranor and approved unanimously.

**BOT Action on Proposed Emergency Regulation Setting Tuition and Fees for AY 2005-06 and Authorization to Proceed with Regular Regulation Making Procedure to Adopt the Tuition and Fee Schedule**

General Counsel Pfeiffer stated that at the last BOT meeting, the Board adopted an Emergency Rule setting tuition and fees for the 2005-06 academic year. Since then, he explained, the Florida Board of Governors has adopted a "Regulation Development Procedure for State University Boards of Trustees." This procedure replaces rulemaking under the Administrative Procedure Act for boards of trustees and makes the process much simpler. However, because NCF must now adopt tuition and fees in accordance with the new Regulation Development Procedure, it is necessary to adopt an emergency regulation to ensure that the tuition and fee schedules are in place in a timely manner. There are no changes in the substance of the proposed new regulation; the only change is in the procedure and process. The new Regulation Development Procedure requires that regulations adopting tuition and fees be submitted to the BOG for approval prior to becoming effective, a process that can take as long as 60 days. There is insufficient time to complete regular regulation adoption processes before New College must begin assessing tuition and fees for the 2005-06 academic year in order to meet its responsibilities. The BOT is authorized under the procedures adopted by the BOG to adopt regulations on an emergency basis upon finding that an immediate danger to the public health, safety or welfare requires emergency action, and provided that the emergency rules are adopted pursuant to procedures that are fair under the circumstances. The advance notice provided in this instance constitutes a fair procedure for adopting the proposed Emergency Regulation under the circumstances.

Trustee Mason asked for some discussion of the high tuition statewide he has been reading about which is driving out-of-state students away. President Michalson explained that individual university boards have the authority to set the tuition rate for out-of-state students. In the last three years, the NCF board and others SUS BOTs have raised out-of-state tuition by double digit increases, which prompted the NCF BOT's conservative 5 percent increase last month in out-of-state tuition for 2005-06. Statewide attention focused on the out-of-state tuition issue, as the number of out-of state students dropped statewide and the drop created a financial pinch at larger SUS institutions. SUS institutions are penalized by the decreasing numbers of out-of-state students, because they are losing out-of-state tuition and the Legislature is not fully funding enrollment growth for in-state students that the out-f-state tuition helps offset to some degree. The issue is not a financial one for NCF, but rather an issue related to our national mission and our stated desire to return to a more even balance between in-state and out-of-state students. Dr. Michalson reminded the BOT that they and the other university boards have authority over out-of-state tuition, while the legislature continues to determine resident undergraduate tuition. Trustee Misemer requested and received confirmation that the out-of-state tuition rates set by the BOT at the last meeting would not be changed by the proposed Emergency Regulation. Trustee Hudson noted that the University of West Florida had approved special tuition for Alabama students at just \$21 more per credit than the in-state rate. He suggested that if NCF wants to attract students nationally, we could reduce out-of-state tuition as an incentive. Chairman Johnson asked Dean of Admissions and Financial Aid Kathy Killion to report on the number of out-of-state students enrolled for 2005-06; she responded that it was actually 10-12 more than last year, but because the size of this year's class was larger, the percentage of out-of-state students remained the same. Trustee Hudson asked if his understanding that New College had seen a ten-year decline in the number of out-of-state students. Mr. Johnson stated that we need to raise more scholarship dollars, so more financial aid can be awarded to these students. Mr. Hudson suggested an alternate strategy similar to that used by the U. of West Florida, offering in-state tuition to attract out-of-state students from target areas. VP Martin offered to explain that this action of the University of West Florida stemmed from a "warfare" situation. With the approval of its state legislature, the U. of Southern Alabama had been poaching Florida students from Florida's panhandle counties for several years and charging them in-state tuition. In retaliation, the U. of West Florida arranged for the Florida legislature to give them authority to charge in-state tuition to students from several counties in Alabama. This year the U. of West Florida Board of Trustees took it upon itself to extend the number of Alabama counties in which Alabama students would be eligible for Florida in-state tuition, but this was done without the approval of the legislature. Trustee Hudson thanked VP Martin for the explanation. Chairman Johnson commented that he would raise this issue with Senator Carlton when he has lunch with her soon.

Trustee Heiser moved that the BOT take the following actions:

- (1) determine that an immediate danger to the welfare of New College of Florida exists unless the College establishes, by emergency regulation to be effective immediately, the tuition and fees set forth in Proposed Emergency Regulation 2005-01 (a copy of which is attached);
- (2) determine that a fair procedure for adoption of the tuition and fee provisions on an emergency basis is to publish notice of adoption of the emergency regulation on the New College of Florida Official Website, as well as previously publishing

notice of emergency rulemaking regarding the same tuition and fee schedules in the Sarasota Herald Tribune and posting notice of emergency rulemaking in prominent locations on the campus of New College of Florida and on the New College of Florida Official Website prior to the June 22, 2004, meeting of the Board.

(3) adopt proposed Emergency Regulation 2005-01 to be effective immediately and thereafter for ninety days; and

(4) authorize initiation of regular regulation adoption procedures to adopt the tuition and fees effective upon expiration of Emergency Regulation 2005-01. The motion was seconded by Trustee Fitzgerald and adopted unanimously.

#### **BOT Action on Ratification of NCF BOT - Police Benevolent Association Contract Annual Update**

Trustee Dupree moved that the changes to the NCF BOT/Police Benevolent Association Collective Bargaining Agreement, Article 22 – Wages, and Article 12 – Health and Safety, be ratified as presented; the motion was seconded by Mr. Cranor and approved unanimously.

#### **BOT Action on NCF 2012 Accountability Goal Projections for the Board of Governors**

Provost Callahan stated that these Accountability Goals are a result of a federal and statewide push toward accountability and the development of a set of goals to be used to mark progress. The BOG identified seven specific measures that will be used to assess the annual progress of the eleven members of the SUS toward meeting Florida's educational goals. Each SUS institution was asked to develop its own targeted goals for 2012, as approved by its BOT, in four of the seven areas: Graduation rates; Minority baccalaureate production; Licensure pass rate; and World-class academic and research programs. Licensure pass rate is not relevant to New College's mission and NCF has been exempted from identifying goals for that measure. New College is projecting modest gains in the three other areas identified by the BOG. Trustee Cranor moved to New College's 2012 projected accountability goals for three BOG-prescribed measures as presented; the motion was seconded by Trustee Dupree and approved unanimously.

#### **Appointment of Ad Hoc Presidential Evaluation Committee**

Chairman Johnson announced the appointment of a Presidential Evaluation Committee to report back to the BOT at the next meeting on the annual evaluation of the President, as required by law. Trustee Heiser will chair the committee, which will include Trustees Dupree and Smiley. Chairman Johnson will serve as an ex officio member. He stated that a Presidential Evaluation Form will be mailed to each Trustee and returned to him for consideration by the committee.

#### **BOG and MGT Reports Provided to BOT**

Chairman Johnson mentioned that a report from the BOG on proposed authority had been sent to each Trustee. President Michalson noted that an *Analysis of Alternative Funding Strategies for New College of Florida* report by the firm MGT of America had been sent to each Trustee also. Dr. Michalson thanked the BOT for their patience as they worked their way through the Capital Improvement Plan planning process in what he characterized as the subjunctive mode, since we cannot at this time know what recommendations will emerge from the upcoming Campus Master Plan process. He noted that we can only deal with the CIP using informed assumptions, such as *were* the Palmer Buildings to disappear, *were* the new academic facility to be funded, *were* we to get funding from the legislature, a slippery method at best. He apologized in advance for any "slippery" answers to Trustee questions that might be forthcoming, but sought the understanding of the Board as the process moves forward.

#### **Provisional Certification to Participate in Federal Financial Aid Programs Granted to NCF**

Dean Killion announced that New College has been awarded provisional certification by the U.S. Department of Education to participate in federal financial aid programs for 2005-06 by the U.S. Department of Education. She anticipated that approximately \$1.7 million in federal financial aid will be received by the College as a separate site from USF for the first time. NCF will administer and disburse these funds in the form of Pell Grants, Stafford Loans and Federal Plus Loans. Dean Killion commended the Financial Aid staff, Monica Baldwin, Michelle Hare, and Nancy Noll, as well as Assistant Controller Kim Bendickson for their work on obtaining this certification. At Chairman Johnson's request, Dean Killion commented on the entering class, noting that it has not "melted" and thus will be the largest ever, about 250 students with a slightly increased number of out-of-state students. The quality indicators have remained steady. She observed that by Fall 2006, recruiting should be way up in terms of out-of-state prospects due to the adoption of recruitment strategies recommended by Noel Levitz.

Since there was no other business, the teleconference meeting was adjourned at 10:39 A.M.

Respectfully submitted,

Suzanne Janney  
Assistant Secretary