

**New College of Florida Board of Trustees
Approved Minutes
Annual Meeting of September 24, 2005**

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

Call to Order

Chairman Johnson called the meeting to order at 10:05 A.M.

Acknowledgement of Notice of Meeting

Chairman Johnson requested and received acknowledgement that the meeting had been duly noticed on September 13, 2005.

Approval of Minutes

Chairman Johnson asked for approval of the Minutes of the Special Meeting of August 1, 2005. Trustee Misemer so moved, seconded by Trustee Cranor, and the motion was approved unanimously.

Chairman's Report

Chairman Johnson noted that the schedule of Board Meeting for 2005-06 has been distributed to Trustees. He reported that the College was running extremely well, there is more diversity in the faculty, staff, and student body this year, and the Board and the administration are now well-seasoned in dealing with the issues of a free-standing institution. Policies are in place and the future seems assured. The Campus Master Plan process is underway and the Board will hear much more about it later in the meeting. Mr. Johnson indicated that he was overwhelmingly positive about President Michalson and the entire college community, noting that New College would not be where it is today without the President's leadership.

President's Report

President Michalson thanked Chairman Johnson for his kind words and thanked the Board for their flexibility in rescheduling the meeting. Since the Trustees had received his *State of the College Report, 2005*, he said he would not reiterate what he had written but go on from there. This week the College, in the first stage of the Master Planning process, held a Discovery Charrette under the guidance of the design firms of Moules and Polyzoides and The Folsom Group. He has been energized and very impressed with how perceptive our consultants are with respect to our mission. Dr. Michalson noted that General Counsel Steve Pfeiffer was absolutely correct when he referred to Stephanos Polyzoides as the "rock star" of the design field. Stephanos' rapid grasp of issues and ready suggestions of new and unusual solutions has been remarkable. Threaded through the planning process has been the early September settling of the leasehold with USF, to underscore that New College is in charge of the campus, and the participation of New College in an eight-member group of institutions lining the "Educational and Cultural Corridor" on Route 41, from the Crosley property to the Ringling School of Art and Design. The fresh ideas generated by our urban designers for using Route 41 to institutional advantage may well resonate with the other "Corridor" partners and lessen the necessary evils of the road and turn it into an asset, perhaps a mixed use area capitalizing on our joint missions. Dr. Michalson stated that last year the College was interviewing one set of firms for the new residence hall project and another set to handle the Campus Master Plan process. He pointed out that now valuable collaboration between the residence hall team and the Master Planning team is taking place at the front end.

Dr. Michalson stressed that the need for the new residence hall is critical, with fall enrollment soaring to 758 students. The College had planned to enroll 710 students, but the interaction of three variables (the number of spring graduates, the retention rate, and the number of admitted students who decide to reenroll) with the lack of a summer "melting away" of new students who make a deposit but do not materialize led to the significantly larger enrollment total. The College dealt with extra students extremely well in terms of housing and class size. The new Dean of Students, Dr. Wendy Bashant, made more rooms into triples and the hardworking faculty was offered the option of dividing large courses (32 student or more) into separate sections to keep class size down, with a special compensatory faculty stipend. Fourteen faculty members sectioned their classes. President Michalson invited the Trustees to let him know if they disagree with his recommendation to target an enrollment for next fall of 740 students. While he stated that he is fully aware of the symbolic effect of enrollment shrinkage, without the addition of new facilities and more faculty, the College is simply getting ahead of itself in enrolling such a large number of students. As he stressed in his *State of the College Report, 2005*, it is important

to connect the educational vision to the realities of space, facilities and faculty members. His principle is to get the faculty first, and then the students. He and the Provost have been having lunch with 6-7 faculty each week to focus on the “How big should New College be?” issue. President Michalson stated that the 1200 enrollment figure he favors would double the size of the institution from that it was ten years ago. His hope is to have a broad, relaxed, and on-going conversation about this, since no decision needs to be made on it any time soon. Timing is important. He predicted that improvements would be dramatic on the East Campus: Hamilton Center will be renovated and the Pei Complex vastly improved. The connections between academic life and student life simultaneously will be strengthened, due in part to the efforts of Dean Bashant. The President said that at statewide meetings he attends, he increasingly finds an emphasis on degree production to fulfill certain critical jobs, a great and worthy goal. But to him it sounds thin, considering that education is much more than career preparation. The character-building aspects of the educational process, those that prepare students for civic responsibility, and create for them a variety of interests to make their lives more interesting, do not seem to be on many people’s radar. To Dr. Michalson, the ideal of promoting a seamless in-class/out-of-class central experience that educates the whole student is critically important. He said that the Moules and Polyzoides representatives throughout the Discovery Charrette seemed to emphasize the importance of mixed-use space, particularly the notion of having faculty and staff live in apartments in the residence halls. All this seems to underscore that we have an opportune moment at hand in which to reinforce the connection between student life and academics at the College.

On the state front, President Michalson noted that within one week after the resignation of Chancellor Austin, the Board of Governors Chairman was on the phone to the SUS presidents seeking Foundation funds to supplement the salary of the next Chancellor. He reported that he had never used the term “pro-rated” so often in one conversation as in that conversation. He thought the Trustees would be relieved to know that of the \$250,000 contributed by the presidents, NCF’s share came to \$860. He provided this anecdote as symptomatic of the environment in which the College operates. On the personal side, he told the Board that Provost Callahan with Professors Clark, Gilchrist, and Harley, is in Providence, RI at a Teagle Foundation-sponsored invitational meeting on innovative education in the liberal arts with representatives from Brown, Hampshire, Sarah Lawrence, Smith, and Antioch. He thanked Campus Architect Ken Perlowski for all his work in putting the Discovery Charrette together and organizing the other Campus Master Plan activities. He introduced Dr. William Richardson, Chairman of the Political Science Department at the University of South Dakota, who, as one of 35 Fellows selected by the American Council on Education, will be spending the year at New College “shadowing” a senior administrator. He thanked Trustee Brian Cody and his fellow NCSA officer, Marissa Krumm, who were leading students at the Charrette; the planners were very impressed with the strong sense of ownership that NCF students have, along with the rest of the community, in the College.

Trustee Simendinger expressed great appreciation for the work that went into this year’s *State of the College Report*. She underscored the importance of moving toward the new enrollment target, and noted that just a little “mission creep” had gotten the College up to 750 students. She wondered if the Campus Master Plan team was already accepting 1200 as the new target enrollment goal? President Michalson exclaimed that he didn’t think the planners have even heard that figure. He said that he expected the goal to come up but instead they wanted to talk about the timing of the dormitory project and the type of dorm the College wanted to have. Chairman Johnson stated that the BOT will be a player in the size of the College discussion; size and quality are very significant issues and the Board will have a substantive discussion about them. President Michalson added that everyone has an enrollment number at which they think the College will lose its special quality. He cautioned the Trustees to keep the symbolic nature of this figure in mind; at New College, students are known by name to their teachers and he, for one, would never want the College to lose this quality of closeness. New College could stop at 800, Haverford is going to 1800 now, Earlham thinks 1200 is a really nifty number. The Board members are really the stewards of the ethos of the College and President Michalson said they would really need to discuss and consider the size issue carefully.

Trustee Dupree noted the state focus seemed to be on degree production, but President Michalson says New College is aspiring to educate the whole student and he questioned if we are we together on this. President Michalson said he would not presume that we are all together, but that New College is about something more than producing degrees: it strives to shape lives and considers the out-of-class time educationally important. Residential New College does not have the same mentality as commuter schools, it’s a different dynamic altogether. Elsewhere the emphasis is on taking courses, earning the credits, and getting out of school fast. It’s a different sensibility here and we are proud of it. The president said he tries to talk this concept up with Board of Governors members and the SUS institution presidents without indicating that their viewpoint is negative, but he has heard the Vice Chair of the BOG refer to universities as “factories.”

Campus Master Plan Report – Moules and Polyzoides and The Folsom Group

Frank Folsom Smith, principal of The Folsom Group based in Sarasota and Stephanos Polyzoides, principal of Moules and Polyzoides of Pasadena, CA, presented an update on the past week’s Discovery Charrette, the first step in the Campus

Master Plan process. Mr. Smith announced that since Wednesday, the planners have been immersed in the culture of New College. They found that a deep civility and respect for the public realm pervades the institution. The students have emerged as the real stars of the Charrette. They have studied the problems and come forward with thoughtful and well-reasoned solutions. Faculty, staff, and administration were also ready to share. While the overwhelming majority of the remarks were positive, even the criticism and cries for help were presented in a positive way the planners can address. Mr. Smith said a report on the Discovery Charrette will be posted on line in a couple of weeks and the next phase of the planning process will be the Design Charrette in late October. The process is an “open discussion” process, with give and take continuing until the ink is dry on the master plan, sometime next year. Mr. Polyzoides described the Design Charrette process, which will conclude by the end of the year with the delivery of a coherent document. He noted that he found the New College community unusual with a capital “U.” He said he has never been through a series of meetings where so many stakeholders were so positively engaged in the process – in fact, he has done charrettes at institutions where his team never got to meet the president, where students were not allowed to participate, and where the team had to calm irate neighbors. At New College, people were open, direct, truthful, and emotionally engaged across the board; in his experience, encountering such a situation is truly extraordinary. The support and participation from all quarters at New College was exemplary, and Mr. Polyzoides said the teams are excited and terribly optimistic about the plan to have a great college “born” in a place that is commensurate with its great academic mission.

Mr. Smith said that they had noted that the present New College campus reflects the fact that there has been no continuity in past planning. The teams want to leave a format and framework, a design code and a matrix, as a legacy for future building and development on the campus. They are hearing from everyone that they want excellence and sustainability in the design of the campus and its buildings for the next 100 years. Mr. Polyzoides described the teams beginning with a diagnostic drawing showing open space in black and buildings in white, to be read for deficits and assests, much like a doctor reads an x-ray. The drawing, which he displayed, showed no design coherence – buildings are floating in space, as if at sea, without any design anchors, particularly on the west campus. He reported that two significant ideas had emerged in the Discovery discussions. First, the idea of a transect, with increasingly layered intensity of buildings as one moves from the bayfront to the airport, is interesting; it would involve keeping the landscape more natural as one approaches the bay and would embody the respect for the environment that is deeply embedded in the New College character. Second, because the distance from the bayfront to the airport is three quarters of a mile, way beyond normal walkability, the idea of locating the academic campus of the next 50 years in the center, clustered around the library, emerged. The team has identified these and other concepts for further discussion and will enter the Design Charrette with a variety of possible solutions. Mr. Polyzoides commented that the campus now is mostly dysfunctional, because it is derivative. While we have enormous assets in terms of adequate land and great neighbors, the East Campus needs densification to make it more whole. He believes that the Pei buildings absolutely deserve to stay and to undergo very serious renovation, and the great library, historic buildings and the beautiful mile-long waterfront are indisputable assets. But in between, there is little or nothing, and this area is where he believes we need to concentrate our energy. Mr. Smith noted that the scale of the buildings should reflect the size of the College – small and intimate, not megastructural – and that the team had heard a desire for new buildings to be mixed-use and sustainable over the long term. Academic and student life space could be mixed in with service space and commercial ventures, bringing people together in closer proximity to promote more interaction. The residence halls might offer faculty housing options. He added that an economic development opportunity in the form of a small, mixed-use village of the sort suggested by some of the neighbors, could be located on the interstitial space between New College and the USF Crosley campus. The “village” would have to be a sensitively and creatively-designed commercial space, not a strip mall, and could be a real asset to all the North Trail educational and cultural institutions. Mr. Smith also reported a strong feeling on the part of the neighborhoods that they would like to be more involved with campus life, attending events and taking part in activities. More “town-gown” interaction based on commonality of interest could lead to building a more diverse, multi-generational community.

Trustee Simendinger asked how President Michalson’s target enrollment of 1200 students would impact the present Master Plan development and efforts for the future. Mr. Smith responded that the “carrying capacity” of the campus could accommodate at least 5,000 students or more. Space is not a problem, although the team recommends that the College buy adjacent properties to complete its footprint and add options for visiting faculty, guest housing, even student housing. Smaller intimate buildings are appropriate in character for the College. Mr. Polyzoides stated that the team would have to find out what the capacity is now, and how to get there. The team will give an even longer term vision, perhaps by means of a small sketch.

Campus Master Plan Report: Harper Aiken Partners

Prakash Nair of Fielding, Nair, International, working with Harper Aiken Partners, reported that throughout the Discovery Charrette, the team heard from New College students that student housing should embody all four modes of learning, which he characterized as campfire mode (gathering around and listening), watering hole mode (social learning), cave learning

(synthesizing and internalizing) and living (conducting daily business). Students want their dormitories to support their carrying out multiple hierarchies of learning experiences: independent study, as well as collaborative and project based learning. The strongest and most recurring idea expressed by the New College students was that they wished to break down the large institutional scale of the residence halls, replacing it instead with smaller scale “family” group units of eight to ten students, clustered around a common living room; with “blocks” of such units clustered into neighborhoods. They seek an integrated living and learning environment and want to avoid isolating experiences. They strongly endorse the concept of levels of privacy, going from a private room to semi-private space, to semi-public to public space. The idea of a “front yard” space, into which students can come, relax, and have a view across campus to see what other people are doing, is very high on the student priority list. The residence hall team wants to create hierarchies of space to match the culture that already exists among the students. Mr. Nair noted that more New College students participated in the Saturday morning session than he’d seen participate at any other institution overall. Bob Bitterli of Harper Aiken endorsed that statement and said NCF students not only care about the direction of housing, but understand how important housing is to learning; the team attended a Towne Meeting on Wednesday, where Dr. Michalson asked them to be agents of change on the campus. He explained the process used with the five student focus groups to quantify their needs and desires, asking them what in their present environment they would like to create, preserve, avoid or eliminate. The process empowered the students. Kevin Donahue of Harper Aiken added that the students’ careful clarity of thought captured their hearts. The team hopes to have a report on the residence hall project completed in early October. In the next phase, the Design Charrette, they will be bringing tangible drawings and plans to campus for discussion. They understand very well that the first residence hall project will be the quintessential project and the way it goes will have an effect on the entire Master Plan process.

Legislative Update

Hugh MacMillan brought greetings from Tallahassee from his fellow government relations colleague, Pat O’Connell. He reported that the hurricanes, the term-limited Governor, the legal challenge to the Board of Governors, and the search for a new Chancellor continued to make the Tallahassee environment uncertain. On the positive side, there is stable, constructive current leadership in the legislature. New College is seen as a stable, modest player, with loyal advocates in place. NCF’s priority legislative request for \$1.8 million to be added to the NCF base budget can succeed, thanks to the academic and administrative leadership at the College and the help of many others in promoting the College’s strong case with legislators and staff.

New College Foundation Report

Trustee Cranor reported on a change in endowment policy a little over a year ago that, in the 13 months since, has generated returns slightly over 15 percent; this change turned the \$24.25 million invested into just under \$28 million in that same period. A focus on alumni participation in giving resulted in a jump from 12 percent several years ago to 33 percent last year, and the Foundation will double its efforts this year in hopes of reaching 40 percent or higher this year. Executive Vice President Jim Harman is building a formal planned giving program, and has booked 24-25 new planned gifts, with more than half coming from alumni. Some 128 prospective donors have been thoroughly researched; the caseload is divided between Mr. Cranor and Mr. Harman. In November, Mr. Cranor stated he would present the “New Initiatives” campaign to his board, and subsequently to the College’s Board of Trustees. In the meantime, an Environmental Research Station proposal is being prepared in conjunction with Sarasota County for submission to Jane Cook’s Fund; a donor committed a \$75,000 challenge grant to the \$150,000 project of acquiring about 2,250 new volumes for the Cook Library’s core collection, and the New College Library Association board has committed \$40,000; and New College Alumnae/i Association has a new executive director, Ellen Goldin, an alumna, who is working to organize an alum reception following the performance of Professor Steve Miles’ award-winning choral composition in New York on October 30. Mr. Cranor concluded by saying that he and John Martin have been working on the packaging of financing for the new student housing project. HE added that the new residence hall construction/renovation project offers significant naming opportunities for major private donations.

Audit Committee Report

Trustee Raeburn reported that the Committee met at 8:30 am. The final 2004-05 Financial Audit report is expected to be completed by the end of October. The Committee discussed the review by CPA Associates, the College’s internal auditor, of the College’s internal control structure. The 2005-06 Internal Audit program should be finalized at the November meeting.

External Affairs Committee Report

Trustee Simendinger reported an excellent Committee meeting at 9:00 am. Director of Public Affairs Jake Hartvigsen and Trustee Cranor talked about representational programs. Jake discussed the beauty of being ranked #3 in *US News and World Report*, and the new 3-2-1 program – and why being #3 is so important. Ms. Simendinger reported that the

Foundation and Public Affairs are thinking creatively and working together to make new use of resources to educate more people around the country about the College. Peer recognition counts as an important component in the *US News* ratings, and an effort is being made to reach more individuals. Public Affairs is publicizing New College through special “wraps” and presentations in *Florida Trend* magazine, which reaches an elite audience in the state. The Foundation is working through an invitation to present New College in a magazine called *Distinction*. Ms. Simendinger reported that a new NCF website is under development; technology has advanced to the point where the website can serve the institution in many new ways. She concluded by mentioning that *New College Magazine* was also discussed.

Finance and Administration Committee Report

Trustee Presha reported the Committee met at 9:15 am and discussed and approved a recommendation to create a direct support organization (DSO) to provide funding assistance for construction and/or renovation of capital improvements. The basis for this recommendation is the fact that the State has a system of establishing fixed rate bonds, and for these projects, variable rate bonds issued by the DSO may possibly be more favorable to the College. The Master Plan was also discussed. Since this matter had already been dealt with by the Board, Col. Presha asked Vice President Martin to summarize the remainder of the meeting. VP Martin referred to the fourth quarter financial reports for the year ending June 30, 2005 provided earlier to the BOT members; the financial audit is underway and will be reviewed in detail with the Trustees at a subsequent meeting. He reported on the status of the union contract negotiation with both PBA and AFSCME: the entire PBA contract is open for renegotiation and the College is following the recognition of AFSCME with the building of their very first contract. They have submitted proposals to NCF and the administration has countered with a set of their own proposals. It is important to note that the 2005 salary increase approved at the last BOT meeting for NCF employees across the board by the Trustees (the 3.6 percent across the board increase plus \$500 per employee) averages out to be 5 percent for PBA members and 5.5 percent for AFSCME. Provost Callahan is still in negotiations with UFF on their package. Mr. Martin reported that the Committee also discussed the Land Acquisition update. Appraisal information is now in hand from the Car Museum and has been compared with the College’s own appraisal information. It appears that we are still \$1.4 million dollars short of what we need to acquire the Car Museum and the Salvatori and Reichert property on 58th Street. The Committee thus recommends that the Board authorize President Michalson and VP Martin to modify the Capital Improvement Plan to include a request for an additional \$1.4 million for land acquisition in the 2006 legislative session, if it is politically viable according to our leadership in Tallahassee, so that the College can close the deal to acquire the Car Museum, the Salvatori House and other properties, taking advantage of this short window of opportunity. Col. Presha so moved, seconded by Trustee Simendinger, and the motion was approved unanimously.

Chairman Johnson noted that he had met with Senator Lisa Carlton twice in the last month on this issue and recently met with Senate President Tom Lee to apprise him of the College’s needs in this regard. Mr. Johnson said the College would only move forward if such action would not jeopardize the College’s legislative budget request for \$1.8 million for academic and administrative support needs. Trustee Cody asked about the timeframe for acquisition of the Car Museum property; VP Martin predicted about that it would take about six months to bring the deal to closure. He cautioned that it would not be until the end of the legislative session in April-May that we would know definitely about funding available. He intuited that Mr. Cody’s question stemmed from concern about land available for campus planning and the new dorm construction and recommended that planning proceed without taking the Car Museum property into account. He mentioned that the situation is further complicated by the fact that there is currently a tenant in the Car Museum property.

Student Affairs Committee Report

Dean of Students Wendy Bashant reported on the Committee meeting earlier in the week. The new student orientation was a success and has become a vital part of student life. As a measure of how important and successful the orientation component has become, Dr. Bashant noted that approximately 10 percent of the student body applied for “orientation leader” positions in 2005, as opposed to 2003, when no one applied. Next year she hopes to offer an academic component to the orientation program. She reported that the large influx of new students resulted in the creation of 63 triples, which are offered at a lower rate to students than the traditional other rooms. There have been surprisingly few problems and students are now engaged in their studies and in altruistic pursuits like the Peace March in Washington and the Sailing Club. Dr. Bashant said the Student Affairs Committee had asked her to make some comments about NCF students in general and how they compared to students she had met at other institutions in terms of discipline or behavior. She noted that students are pretty similar everywhere, having unregistered parties or unregistered guests, for example. However, the discussions that she has had with New College students about discipline are different. Not having fraternities or athletics at the College seems to dispel the “herd” mentality that she has encountered elsewhere; in disciplinary discussions, she has found New College students wise, intelligent, remorseful, and, by and large, reasonable. She concluded that she found it a pleasure to be here.

BOT Action on President Evaluation Committee Report

Trustee Heiser reported that the Committee, composed of Trustees Dupree and Smiley, with Chairman Johnson serving as an ex officio member, reviewed 22 faculty evaluations (out of 63 questionnaires distributed) and nine Trustee evaluations of President Michalson, as well the President's own record of activities for the past year. A draft evaluation report was prepared and circulated to the Committee members for review. The Committee met on September 9, 2005. After some discussion, the Committee approved the draft report and submitted it to Chairman Johnson. The draft was distributed to the Trustees prior to this meeting. Trustee Heiser moved to approve the draft evaluation report as presented, seconded by Mr. Cranor and approved unanimously by the Board. Trustee Smiley offered congratulations to President Michalson on his outstanding performance for the year. Trustee Simendinger asked Trustee Fitzgerald as Chair of the Faculty if more than one third of the faculty could not be enticed to participate in the Presidential evaluation process. Trustee Fitzgerald responded that he would be happy to convey any message the Board would like transmitted to the faculty, and would advise the faculty of Trustee Simendinger's interest in having stronger faculty participation in the Presidential evaluation process. Chairman Johnson added that he had checked with both the University of Florida and Florida State University on their faculty response rate to Presidential evaluation questionnaires, and learned that both institutions had extremely low rates.

Chairman Johnson reported an additional related item to the Board. He stated that last year when the Board set the President's compensation, the Board gave the Chairman the authority to adjust certain factors within the dollar framework. Chairman Johnson has met with President Michalson and is going to exercise his authority to adjust the status of the President's compensation for car and housing allowances from non-deferred to deferred compensation status. It will be the same dollar amount for the Board; the difference will be an income tax benefit for deferred compensation for the President.

BOT Action on Statement of New College of Florida Priorities for 2005-06

Chairman Johnson asked for a motion to approve as presented President Michalson's *Statement of New College Priorities for 2005-06* which had been sent to the Trustees prior to the meeting. Trustee Hudson offered a friendly amendment to the third priority, which he had discussed with President Michalson, to include "diversity of thought." The amended priority would then read: *"Expand current efforts to enhance cultural diversity at New College, to include diversity of thought through programming, hiring, and curricular enhancement initiatives."* Chairman Johnson noted that Trustee Dupree had to leave the meeting early, but he left a written statement summarizing his thoughts on the Priorities. He read the statement: "To continue to stress the addressing of developmental needs of all of the students and seek to increase diversity of the administration, faculty, staff and students on all levels of operations" and noted that it was in agreement with the President's document. Trustee Simendinger proposed an additional amendment to the end of the fourth priority, which she had discussed with Trustee Cranor and President Michalson, in the form of a comma and a phrase: "...and continue to leverage that exposure for all forms of private support." That amended priority would read: *"Continue to strengthen the College's efforts to increase its visibility locally, in-state, and nationwide, and continue to leverage that exposure for all forms of private support."* Ms. Simendinger's motion was seconded by Mr. Cranor and approved unanimously. Trustee Raeburn moved to adopt the primary motion on the Statement of Priorities as presented, amended with Mr. Hudson's friendly amendment to priority three and Ms. Simendinger's amendment to priority four. The motion was seconded by Trustee Cranor and carried with a single dissenting vote from Trustee Smiley.

BOT Action on Proposed Regulation Setting Tuition and Fees for AY 2005-2006

Chairman Johnson noted the Board had been down this road before. Trustee Simendinger moved to adopt the Proposed Regulation 6C11-4.003 Setting Tuition and Fees for the 2005-2006 Academic Year and submit the Proposed Regulation to the Florida Board of Governors for approval; the motion was seconded by Trustee Cranor and carried unanimously.

BOT Action on Creation of a Direct Support Organization to Provide Funding Assistance for Construction and/or Renovation of Capital Improvements

Vice President Martin stated that a direct support organization (DSO) will provide New College with additional flexibility in considering financing options for the residence hall/Hamilton Center project. Trustee Cranor, NCF's financial advisors, President Michalson, and General Counsel Pfeiffer are in agreement that fixed rate bonds—the only type offered through the State Division of Bond Finance—cannot provide the advantages of variable rate bonds. FSU, USF and FGCU all use variable rate bonds arranged outside the state process through DSOs which are set up for this purpose. It is relatively inexpensive to have a DSO established, and Mr. Martin explained that this establishment is what the Board is being asked to approve at this time, not whether the College will select variable or fixed rate financing. He said that when a financing plan for the housing project is developed, the plan will come back to the Board for approval. At that time, the Board will decide the type of financing arrangement and issuer to use. Trustee Presha moved to create a direct support organization to provide funding and facilities management assistance to the College, as unanimously recommended by the Finance and Administration Committee. The motion was seconded by Trustee Cranor. Trustee Simendinger asked if the DSO would

expire or would it continue to exist after the current project. Mr. Martin responded that it would continue as long as the President and the Board of Trustees wished it to continue. The motion carried unanimously.

President Michalson announced that Associate Professor of Music Steve Miles would have his award winning choral composition performed on Sunday, Oct. 30 at 3:00 pm at the Madison Avenue Presbyterian Church by the New York Virtuoso Singers and all members of the New College family are invited to attend. A discussion with composers will be open to the public at 2:00 pm, and, following the concert, a reception being organized by the New College Alumnae/i Association will be held.

Since there was not other business, the meeting was adjourned at 11:39 A.M.

Respectfully submitted,

Suzanne Janney
Assistant Secretary