Call to Order, and Roll Call – Chair Robbie Roepstorff

Chair Roepstorff greeted Trustees and convened the meeting of the Florida Gulf Coast University Board of Trustees with the following members present:

Joe Catti
Peter Cuderman
Ann Hamilton
Douglas Harrison
John Little
Dorene McShea
Edward Morton
Russell Priddy
Robbie Roepstorff
Doug St. Cerny
Rob Wells

John Fumagalli, Chair, Foundation Board of Directors

Members of Staff present were:

President Wilson G. Bradshaw
Provost and Vice President for Academic Affairs Ron Toll
Vice President for Administrative Services and Finance Steve Magiera
Vice President for Student Affairs Mike Rollo
Vice President for Advancement Rosemary Thomas
General Counsel Vee Leonard
Chief of Staff and University Spokesperson Susan Evans
Barbara Krell
Kathy Bottoms

Guests: Carol Slade, Brian Fisher, Jennifer Goen
2. Call for Executive Sessions on (1) Matters of Litigation, pursuant to 286.011(8), F.S., (2) Collective Bargaining, pursuant to 447.605(1), F.S. – General Counsel Vee Leonard

Chair Roepstorff introduced Ms. Leonard who stated she requests an Executive Session with Trustees on (1) Matters of Litigation pursuant to 286.011(8), F.S. and (2) Collective Bargaining, pursuant to 447.605(1) F.S. The Board then moved to a room down the hall for the Executive Session. The Board remained in the room down the hall for second Executive Session.

3. Executive Session – Matters of Litigation

4. Executive Session – Collective Bargaining

5. Regular Meeting Resumes – Chair Robbie Roepstorff

The regular meeting of the Board of Trustees was called to order by Chair Roepstorff at 10:50 a.m. A roll call was taken with results as above. Chair Roepstorff welcomed the Chair of the FGCU Foundation Board of Directors, Mr. John Fumagalli. Chair Roepstorff asked President Bradshaw to call on the Standing Reports and then give his President’s Report.

6. Standing Report from FGCU Faculty Senate President – President Douglas Harrison

Trustee Harrison updated Trustees regarding recent faculty activities and accomplishments for the new academic year.

7. Standing Report from FGCU Student Government – President Peter Cuderman

Trustee Cuderman outlined student activities and accomplishments for the upcoming semester and the goals for the new year.

8. Standing Report from FGCU Staff Advisory Council (SAC) – President Carl Steinberg

Mr. Steinberg provided a report regarding SAC activities and accomplishments over the past few months.

9. Standing Report from FGCU Foundation Board of Directors – Chair John Fumagalli

Mr. Fumagalli thanked the Foundation Board, staff and President Bradshaw for the success of the FGCU Foundation in the past months. He provided highlights of the Board’s most recent accomplishments.
I will be using my President’s Report today to talk primarily about budget cuts, but there are a couple of other items I’d like to first address.

**INTRODUCTION OF 3 NEW HIRES:**

I would like to introduce you to several new members of the FGCU community, and I believe 2 of these individuals are with us today.

I am pleased to introduce Dr. Paul Thornton, who joined FGCU this summer as Executive Director of Continuing Education and Off-Campus Programs. Dr. Thornton comes to us from the Continuing Education Program at Rutgers University. Dr. Thornton, please stand and be recognized.

Next, Dr. T.C. Yih joined us this month in the position of Associate Vice President for Research and Dean of Graduate Studies. Dr. Yih’s most recent position was Associate Vice President for Research, Chief Research Officer, and Professor of Engineering at Cal State University – Long Beach. Dr. Yih, please stand.

And, finally, in November Dr. Richard Behr will join FGCU as Dean of the U.A. Whitaker College of Engineering. Dr. Behr currently holds an Endowed Professorship in Architectural Engineering at Penn State University. We look forward to his arrival later this fall.

**BOG MEETING AT FGCU:**

As you know, we hosted the Board of Governors for its meeting last week at FGCU. It was a tremendous opportunity to have the Governors, as well as the BOG Chancellor and his staff, on our campus so they could see first-hand what has been accomplished at FGCU in such a short number of years.

I know that some of you were able to attend parts of the BOG meetings on Wednesday and Thursday. One highlight that especially stands out in my mind is the campus bus tour Chair Roepstorff and I hosted for the Governors. The reactions we received during the tour – and actually throughout the entire two days – were extremely positive.

It was very gratifying to hear during various BOG committee discussions and staff presentations how many positive things were said about FGCU’s performance in key indicators of academic and other success. The fact that FGCU is performing so well – despite what is now 6
consecutive years of budget cuts – and despite our much lower level of State funding per student – is a testament to the hardworking faculty and staff who continue to make EXCELLENCE the cornerstone of all they do.

During the BOG meeting I reflected on the unparalleled amount of support for FGCU that has been demonstrated many, many times since the early 1990s by donors, and community leaders, supporters and friends. It was truly gratifying to see FGCU through the new eyes of the BOG, many of whom were seeing the University for the first time. It adds an important dimension for FGCU.

Madame Chair, would you like to make some comments about the BOG meeting?

**BUDGET CUTS:**

And, now, we must turn to the State budget cuts, and how we have accomplished this latest round. As you know, prior to the current fiscal year, FGCU had sustained five (5) consecutive years of cuts in State funding – with recurring cuts of $14 million dollars.

Now, the new year makes this six (6) consecutive years of State budget cuts – with a recurring impact of $17.6 million dollars. These have been difficult years as we continue to work toward fulfilling the State’s mission for FGCU and Southwest Florida – yet challenged by very significant budget cuts.

Vice President Steve Magiera will have some additional information later on the agenda, but to recap our current budget position, please note that:

1. The 2012-2013 State budget included a $3 million dollar cut for FGCU. We presented to you at the June BOT meeting a balanced budget incorporating this $3 million dollar cut. I will describe this as “Round 1” of the cuts.

2. The budget we presented to you in June included revenues from a recommended 15% tuition increase. As a Board, you voted instead to increase tuition by 14%, and the new budget was adjusted for the 14% during your June meeting.

3. After your June BOT meeting, the Board of Governors voted to approve a 12% tuition increase instead of your recommended 14%. This difference in revenue – $626,155 – is what I will refer to as “Round 2” of cutting our budget.

Bottom line – the total of “Rounds 1 and 2” is a cut of $3,626,155 dollars to our 2012-2013 budget.

As I’ve shared with you, we have addressed these many years of budget cuts with a variety of measures, including spending reductions across the campus; reductions in professional development and travel; and not filling vacant positions, to name a few. To use the “cutting the fat” analogy, we were at bone a long time ago. Unfortunately, another $3.6 million dollars is a lot more bone.

At this time, I’ll ask Susan to distribute a summary of the budget cuts for this year.
Trustees, you have before you a 3-page document. The first page shows the budget cut amounts by University Division – for each of the two rounds of cuts, and providing a total amount.

The second and third pages are the cuts summarized by Division. Please note that the cuts are representative of the major categories, but do not include a small amount of miscellaneous cuts which make up less than 1.5 percent of the total.

I’d like to go through the cut details with you.

FGCU Budget Reductions for 2012-2013

**Division of Office of the President:** (Comprised of Offices of the President; Chief of Staff & University Spokesperson; General Counsel; Internal Audit; Ombuds; Equity & Diversity; Government Relations, and Athletics)

- PERSONNEL:
  - $120,000 to eliminate 25 Other Personal Services (OPS) student positions (based on an average of $4,700 per year per OPS student.)

- EXPENSES:
  - $8,200 for travel and operations
  - $7,500 for Grant-In-Aid program

**Division of Academic Affairs:**

- PERSONNEL:
  - $1.1 million to eliminate 12 vacant faculty positions, and reduce salary on 7 vacant faculty positions and 2 vacant staff positions
  - $334,000 to eliminate adjuncts for 135 course sections by increasing class size and/or eliminating sections
  - $340,000 to eliminate 31 OPS student positions, including at Library. (Library now closing earlier on weekday evenings, and closed on weekends.)

- EXPENSES:
  - $300,000 for technology/computer upgrades, including in classrooms
  - $150,000 for operations across all units
  - $126,000 for travel

**Division of Administrative Services & Finance:**

- PERSONNEL:
  - $332,000 to eliminate 8 staff positions
  - $115,000 to eliminate 2 half-time Other Personal Services (OPS) staff, and 16 OPS student positions

- EXPENSES:
  - $120,000 for campus facilities cleaning (interior and exterior)
  - $110,000 for travel and operations
  - $100,000 for computer reserve fund
  - $110,000 for capital items including carts, computers, etc.
  - $10,000 for student recruitment advertising

Approved January 15, 2013
Division of Student Affairs:

- **PERSONNEL:**
  - $42,000 to eliminate 2 staff positions
  - $46,000 to eliminate 11 OPS student positions in the areas of New Student Programs, the Aquatic Center, Student Support Services, and Career Development

- **EXPENSES:**
  - $20,000 for Student Affairs staff development and training

Division of University Advancement:

- **PERSONNEL:**
  - $56,000 to eliminate 1 vacant staff position, and reduce salary on 2 vacant staff positions

- **EXPENSES:**
  - $36,000 for Pinnacle magazine by reducing number of issues published per year from 4 to 3.

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I thought it was important to share this level of detail with you in order to give you a full picture of the significant impacts of the budget cuts. While we have utilized some vacant positions that we very much needed to fill, I should emphasize that these are permanent position eliminations since the budget cuts are recurring in nature.

At this time, let me stop and ask if there are any questions.

Trustee Morton commented on the funding struggles FGCU has encountered in recent years. He felt there is no rationale on how the revenues are set by the State or the Board of Governors. Trustee Morton stated that this University has been treated in a very inequitable manner which causes a significant handicap. He stated it is time the Board step up collectively and individually to start to let our elected officials and others able to make this change, acknowledge this inequity. Trustee Harrison stated he agrees with Trustee Morton and has concerns about the effects on our students. He worries about the quality of our students’ education and he sees implications on retention, graduation rates, quality of faculty, and we may be on the path to mediocrity. Trustee Little stated he agrees with Trustees Morton and Harrison that we need to do our best to increase funding. He stated that he fears we will be faced with the same issues as we have been and believes we will only be able to change what we can change. Trustee Little believes we will need to take a step back and see what strategies we can come up with to enhance the quality of our education programs but diminish the cost. Trustee Cuderman stated that one of his student colleagues stated recently that “we don’t have the luxury of letting this fail”. He discussed the impact of the reduction of Library hours and other budget cuts on students. Trustee McShea stated that the lack of tenure at FGCU should be linked to merit performance standards and should have some impact on how we are funded. President Bradshaw stated that the tenure information has been part of the discussion from the beginning and our growth has part of the differential funding issue throughout the years of FGCU’s existence. President Bradshaw suggested that perhaps other voices (Board of Governors, legislators, and others) can now step up and be part of this conversation regarding the metrics. He stated he has communicated with
the Governor, Legislature and Board of Governors regarding where FGCU needs to be with regard to funding. President Bradshaw stated that he fears what Trustee Harrison referred to earlier and that is mediocrity. He stated we all need to make sure excellence is our goal. President Bradshaw stated we do not have a victim mentality, but we must go forward embracing those values that we have articulated in our Vision and Mission Statement and stay true to those. He stated our Strategic Plan which was recently updated and approved will also be one of our guides during the next budget process. Trustee Priddy stated he knows the cuts were hard and painful and well thought-out. He stated he is also concerned with our Library situation. He asked if the Foundation and Development Office could look at this as a priority and look for assistance for immediate relief of this situation. President Bradshaw stated he and Trustee Cuderman have been looking at strategies on this matter. Trustee Wells stated he hoped we could work on comprehensive strategies regarding these issues and move forward on a plan of action. Chair Roepstorff stated while we are not going to fix this in one year, we do need to highlight our efficiencies. She stated that no one wanted to put the burden on students, but the damage had already been done because our funds were already taken away from us. She implored each Trustee to go to the Legislators and tell them they are not going to fix the State’s problems on the back of education. Trustee Harrison asked if there would be an opportunity for the next conceptual model from Administration. President Bradshaw stated he will work with the Board Chair on this matter.

**FGCU VIDEO:**

With the significant budget cuts in mind, it makes the University’s many accomplishments an even greater source of pride. As I mentioned earlier, our faculty and staff – along with all of the University’s supporters – have demonstrated an unwavering commitment to create an institution of excellence – despite the very real budgetary obstacles we face.

Last week we had the opportunity to showcase an FGCU video produced through our Division of Advancement, and I’d like to share this with you now. Our deep commitment to serving Southwest Florida and the State of Florida shines brightly in what you’re about to see. Thank you, Trustees. Eagle pride. Enough said.

(END)

11. Consent Agenda – Chair Robbie Roepstorff

- Minutes of June 19, 2012 (Addendum A)
- Minutes of June 25, 2012 (Addendum B)
- Minutes of June 28, 2012 (Addendum C)

Motion was made by Trustee Little to approve the Consent Agenda. Motion was seconded by Trustee Wells. Motion carried.
12. Finance & Administration Committee Meeting – Chair Edward Morton

Committee Chair Morton introduced Mr. Magiera and Dr. Fisher (operational portion) present the following items regarding the FGCU Financing Corporation:

Presentation and Focused Discussion:

- FGCU Financing Corporation – Vice President for Administrative Services and Finance Steve Magiera and Executive Director of FGCU Financing Corporation Curtis Bullock

Mr. Magiera presented the following agenda items:

Information Only:

- 2011-2012 End-Of-Year Budget Report (Addendum D) – Vice President For Administrative Services and Finance Steve Magiera
- Quarterly Finance/Budget Update (Addendum E) – Vice President for Administrative Services and Finance Steve Magiera

Action Items:

- Regulation: FGCU-PR5.006 Employee Criminal Background Checks (Addendum F) – Vice President for Administrative Services and Finance Steve Magiera – Motion was made to approve Regulation: FGCU-PR5.006 by Trustee Hamilton. Motion was seconded by Trustee Wells. Motion carried.

13. Audit Committee Meeting – Chair Robbie Roepstorff

Chair Roepstorff introduced Ms. Slade for a report from the Audit Committee.

Action Items:

- Internal Audit Quality Assurance Review (Addendum G) – Director of Internal Audit Carol Slade – Motion was made by Trustee Little to approve Internal Audit Quality Assurance Review. Motion was seconded by Trustee Morton. Motion carried.
- 2012-2013 Internal Audit Work Plan (Addendum H) – Director of Internal Audit Carol Slade – Motion was made by Trustee Cuderman to approve 2012-2013 Internal Audit Work Plan. Motion was seconded by Trustee Hamilton. Motion carried.
- Activity and Service (A&S) Fee Audit (Addendum I) – Director of Internal Audit Carol Slade – Motion was made by Trustee Harrison to approve Activity and Service (A&S) Fee Audit. Trustee Harrison stated that Observation 1 is a fairly substantial observation about transparency and he would encourage Student Government to consider looking at ways to adjust the finance code. Motion was seconded by Trustee Hamilton. Motion carried.
14. Old Business – Chair Robbie Roepstorff – Chair Roepstorff asked that Tab 11 be taken up first so that we do not lose the quorum on this matter.

- Ratification of Settlement Related to David Lounsbury (United Faculty of Florida, Florida Gulf Coast University Chapter v. Florida Gulf Coast University) – General Counsel Vee Leonard (Addendum J) – Motion was made by Trustee Morton to approve Ratification of Settlement Related to David Lounsbury (United Faculty of Florida, Florida Gulf Coast University Chapter v. Florida Gulf Coast University). Motion was seconded by Trustee Little. Motion carried.

15. New Business – Chair Robbie Roepstorff

- 2013 Legislative Agenda (Addendum K) – Director of Government Relations Jennifer Goen – Ms. Goen presented the 2013 Legislative Agenda to Trustees. – There was a discussion by Trustees with President Bradshaw on how we will tie our work plan to performance metrics and other indicators. Motion was made by Trustee Harrison to approve 2013 Legislative Agenda. Motion was seconded by Trustee Wells. Motion carried.

16. Chair’s Closing Remarks & Meeting Adjournment – Chair Robbie Roepstorff

Susan Evans announced that Kathy Bottoms, after 13 years, has decided to retire. Susan stated she will be missed very much as Kathy has set the bar very high. She asked for a round of applause to wish Kathy well in her retirement.

The meeting was adjourned at 1:00 p.m.
Addendum:

A. Minutes of June 19, 2012  
B. Minutes of June 25, 2012  
C. Minutes of June 28, 2012  
D. 2011-2012 End-of-Year Budget  
E. Quarterly Finance/Budget Update  
F. Regulation: FGCU-PR5.006 Employee Criminal Background Checks  
G. Internal audit Quality Assurance Review  
H. 2012-2013 Internal Audit Work Plan  
I. Activity and Service (A&S) Fee Audit  
J. Ratification of Settlement Related to David Lounsbury (United Faculty of Florida, Florida Gulf Coast University Chapter v. Florida Gulf Coast University)  
K. 2013 Legislative Agenda