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STATE UNIVERSITY SYSTEM OF FLORIDA
BY TELEPHONE CONFERENCE CALL
AND BY "TELEPRESENCE"
TALLAHASSEE, FLORIDA
FEBRUARY 18, 2010

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The Chair, Sheila M. McDevitt, convened the meeting of the Board of Governors by telephone conference call, and by "telepresence," from Tallahassee, at 10:30 a.m., February 18, 2010, with the following members present: Ava Parker, Vice Chair; John Barnes; Dean Colson; Ann Duncan; Charlie Edwards; Patricia Frost; Mori Hosseini; Dr. Stanley Marshall; Frank Martin; Tico Perez; John Rood; Commissioner Eric Smith; Dr. Judith Solano; Gus Stavros; John Temple; and Norm Tripp.

1. Call to Order and Chair's Report

Ms. McDevitt thanked the Board members for their participation in the meeting. She extended a special welcome to the new Board members. She noted that some of the members were participating through the "telepresence suites." She thanked Cisco Systems Corporation and Ms. Carol Stillman for inviting them to experience this very exciting new technology.

Ms. McDevitt said she had many emotions about her time on the Board. She said she hoped she had left the Board better because of her service. She said it was hard to believe she had served more than six years. She said it had taken a few years for the Board to begin to understand its role and responsibilities.

Ms. McDevitt noted some of the accomplishments over the past six years. She noted that the Board had approved two new medical schools, at FIU and at UCF, now with their first classes of students, and a resolution to seek more residencies in Florida. She noted that Florida was a net exporter of M.D. graduates. She said she had lobbied in Tallahassee and in Washington, to get funding for new residencies, and had been pleased by the positive response to these efforts. She said the state also needed to continue to seek private funds.

She said she was very proud that Governor Crist had endorsed and supported the legislation giving the Board authority for differential tuition. She said this was a major recognition of this Board and a first step toward revenue predictability. She said the universities needed greater predictability in state funding. She noted that three weeks earlier, Governor Crist had attended the Board meeting to voice his support for the New Florida Initiative. She said this new \$100 million was over and above base funding. Funds would be targeted to research, from which there would be spin-off

businesses, and graduates to fill the jobs being created. She said this would result in the transformation of Florida's economy. She said the universities needed a base formula for predictability going forward. They needed to keep fighting for this in order to be able to plan and to focus on areas needed for the economy.

She noted that the Board had made enormous strides in building relationships with the University Boards of Trustees. She said this Board appointed just less than half of the members of each university's board. She said that over the summer, the Board had appointed 21 new trustees. She commented that the interview process had provided an opportunity to get to know these new trustees.

Ms. McDevitt said the Board had also worked with several Chancellors and had appointed an energetic and creative new Chancellor during the summer of 2009. She said she was grateful the Board had been able to convince Frank Brogan to take this position. She said she was confident he would be very helpful with the Legislature.

Ms. McDevitt noted that she had highlighted the research initiatives at the universities the past two years, and the businesses and the jobs spawned by this research. She said she was so impressed with the quality of the universities' researchers and the areas of research.

She said that she had also been committed to cementing partnerships with the business community. She said the Board had benefited greatly from the solid support of the Florida Chamber of Commerce and the Council of 100. She said they had supported the differential tuition legislation and were also in support of the New Florida Initiative.

She noted the "historic" meeting of the State Board and this Board last November. She said it was critical that there be better collaboration of the delivery systems. She noted that the workgroups were in place to develop a need-based roadmap for higher education.

She also commented that the Board had put in place over 100 Board Regulations which would provide systemwide governance on administrative practices. She said that through these regulations, the Board had put in place a sound regulatory framework by which to govern this huge and complex University System.

Ms. McDevitt said she was most proud of the new accountability system, and the adoption of the Board's first Annual Report in January. She said the Board now had a system in place which would allow for systemwide strategic planning, measurement of common metrics across the universities, and the development of university specific missions. She said the Board would begin the discussions of mission alignment in June. She said that this demonstrated to the Legislature, and others, that the Board understood that it had to show how it used the resources appropriated to the System.

She said she had a passion for education. She noted that she had aspired to serve on this Board, and it was not often that one was able to achieve one's aspirations. She said she would always cherish this service.

Ms. McDevitt said the General Counsel had informed her that she needed advice from the Board concerning the Graham litigation that was currently pending in the Second Judicial Circuit Court, and had requested to meet with the Board in an executive session. She said no date had been set, but that it was expected within the next 10 days. For the benefit of the new members, Ms. McDevitt explained that this was a declaratory judgment action initially brought by Bob Graham and several other individuals requesting a judicial determination as to the scope of the Board's authority vis-à-vis that of the Legislature over tuition and fees and other governance issues. She said the Corporate Secretary would be in touch with Board members with a date and time for the meeting.

2. Recognition, Former BOG Members

Ms. McDevitt said that at the January meeting, the Board had not been able to recognize the service of members of the Board whose terms ended in January. She said the Board members had signed resolutions to send them, but that she wanted to recognize the service of the Board's founding members. She said that Carolyn Roberts had given tireless service in the Board's early years, putting this Board in her hands and lobbying endlessly for the System and the importance of a governing board and its ability to unify System interests before the Legislature. She said Mrs. Roberts had also served as Chair of the Board from June 2003 to August 2008. She said there were not enough words to thank her. She said she had also become a great friend.

She noted that John Dasburg had taken on the development of the Board's first Strategic Plan. He offered to the University System his knowledge and business acumen in strategic visioning. She said he had worked closely with the Board's consultant in crafting the first Strategic Plan.

She said she wanted to thank Dr. Zachariah especially for his leadership of the Trustee Nominating Committee. She said he had designed the process for the appointment of dozens of new trustees which would serve as the template in the years ahead. She said she also wanted to thank him for his leadership and guidance as the Board had grappled with its decision to approve the new medical schools. She said he had also provided guidance on achieving new medical residencies for Florida.

Ms. McDevitt said the Board was fortunate to have the continued service of Ava Parker for a few more years. She said she would provide the "bridge" to the new members of the history of the Board's first years. She said she had provided outstanding and steady leadership of the Board's Facilities Committee in the allocation of Capital Outlay dollars. She said she was proud to be her friend.

Mr. Stavros moved that the Board approve the Resolutions honoring the service of Carolyn Roberts, John Dasburg, and Zach Zachariah, as presented. Mr. Edwards seconded the motion, and members of the Board concurred.

Chancellor Brogan extended his thanks to Chair McDevitt whose term was also ending. He thanked her for her efforts in moving the System forward in the Legislature. He thanked her for her tenacity, her leadership and her passion.

Mr. Stavros said that in addition to the outstanding service provided to this Board by John Dasburg, Carolyn Roberts, and Zach Zachariah with whom it had been his great pleasure to serve as a member of this Board, it had also been a great pleasure to serve with Chair Sheila McDevitt the past 20 months. He said he wanted to recognize and thank her for her outstanding leadership.

He said that as Chair, she had accomplished much. He said she had always been committed to getting it right. He said she had forged important ties with the Governor and with legislative leadership. He thanked her for convincing the Governor and the members of the House and Senate to approve the tuition differential, which would provide the universities with some predictability in their funding. He said this would have a huge impact in the coming years.

He commented that Ms. McDevitt had worked to create important links with the university boards of trustees. He said that she had visited each campus and had learned the distinctive characteristics of each.

He noted that her understanding of the business community in Florida had brought important connections to the Florida Chamber of Commerce and the Council of 100. He commended her for the early discussions that had served as the foundation for the New Florida Initiative.

He said that her dedication to the need for additional residencies in Florida and continuing discussions with Representatives in Congress had brought a new awareness to that issue that went beyond the members of the Florida delegation.

He commended her for having been a great leader for this Board. He thanked her and presented her with a glass vase, inscribed "In appreciation for Dedicated Service as Chair of the Board of Governors, 2008-2010," as a token of the Board's appreciation of her service as Chair.

Ms. McDevitt thanked the members of the Board for this recognition.

3. Introduction, Cisco Systems Corporation

Chancellor Brogan said in the current fiscal climate, the University System continued to review cost issues and ways to carry out its business in an efficient manner. He noted that the System had more than 300,000 students over its 11 universities, and thousands of faculty and staff members. He noted that it was costly to travel around the System for meetings. He said that Board members had likely experienced a variety of videoconference technologies, and that several members at this meeting were participating in Cisco Systems Corporation's "telepresence suites" in different Florida cities. He commented on this remarkable technology, noting the clarity of image and sound. He said it might be worth exploring this technology for the SUS.

Chancellor Brogan introduced Ms. Carol Stillman, the Senior Business Development Manager, who dealt primarily with college and university leadership teams. He thanked Cisco for making this technology available for this meeting.

Ms. Stillman thanked the Board for providing the opportunity to demonstrate this technology. She said she was always excited to talk about this technology which was a good fit in a 21st century learning environment. She said she viewed education as continually changing and learners continually changing how they learned. She said the goal was always to produce productive citizens. She noted that technology had significant opportunities to transform communication and to allow remote meetings to take place and be effective.

She said in developing this telepresence technology, the staff had worked under the edict that it must be CEO-proof, i.e., that anyone could walk in and use the technology without staff support. She encouraged the participants to think of the technology, not of the "room." She said this technology had the potential to transform the business of education and impact teaching, research and service. She said the value of the technology increased the more it was used. She said the federal government was looking more and more for multiple universities coming together on funding proposals. She said this technology allowed for collaboration. She explained the telepresence lecture facility for 140 seats put in place at Duke University. She said a number of universities had installed these telepresence suites, including Harvard, UCLA, NYU, Carnegie Mellon, Penn State, UC Berkeley, UNC and North Carolina State. She said the technology allowed for communication across universities.

Ms. Stillman also explained how this technology could change health care and access to patients. She noted that the quality of the picture was excellent, allowing participants in other sites to read a newspaper shown on camera.

She reported that Cisco had 703 telepresence suites across the world, in 209 cities, in 49 countries. She said that over seven days in February, there had been about 6000

meetings. She said the company estimated travel and productivity savings of about \$500 million. She said this technology could change the way people lived, worked, played and learned.

Chancellor Brogan thanked Ms. Stillman. He said this was an excellent demonstration of this new technology. Ms. McDevitt inquired about the capital investment and whether there were many user fees. Ms. Stillman noted that Florida already had the state infrastructure through Florida Lambda Rail and would, therefore, not have the networking costs other states would have.

Ms. Stillman said the decision would be building the rooms. She explained a telepresence exchange in place in the northeast. Each university paid for the telepresence system and the scale was dependent on the needs.

4. Introductions, BOG Members

Ms. McDevitt said that since this was the first meeting for the new Board members, she thought it would be helpful for each member to introduce themselves.

Ms. Parker said that she currently served as the Board's Vice Chair and as the Chair of the Facilities Committee. She said she was a partner in her law firm and had a separate consulting business, Linking Solutions Inc. More important, she said she was the mother of seven-month old twins. Mr. Barnes said he was the student member of this Board and the Chair of the Florida Student Association. He said he was President of Student Government at UNF and hoped to graduate April 30. He said he did not yet know where he might be going to law school.

Mr. Colson said he had been with the Law Firm of Colson Hicks Eidson since 1981. He said he had served the past two years as the Governor's Special Advisor on Higher Education. He said he had been a member of the University of Miami Board of Trustees from 1991 to 2009, and had served as Chair of its Executive Committee. He said he was excited to serve on this Board. Ms. Duncan said she was a Principal with Vertical Integration, Inc., a real estate consulting and brokerage firm. She said she had been involved in issues involving university research and development, and efficiencies and shared services. She said she was also serving as Chair of the Student Affairs Committee. She said her children were 7 and 12.

Mr. Edwards said he was now a retired attorney, and involved in the citrus and cattle business. He said he had also served two terms as Chair of the previous Board of Regents. Mrs. Frost said it was an honor to be appointed to this Board. She said she had retired as a Dade County public school principal, but had held numerous positions in education during her career. She said she had been Chair of the FIU Board of Directors and had now completed two terms as a member of the FIU Board of Trustees.

She said she had a passion for education, for art and music. She said she also served on the Board of the Smithsonian Institution.

Mr. Hosseini said he was CEO of Intervest Construction, Inc., a home building and development company. He said he served on the Board of Embry-Riddle Aeronautical University, from which he had earned both bachelor's and master's degrees. He said he was very interested in the issue of residencies, and that he had been successful in raising private contributions for surgical residencies at Halifax Hospital in Daytona Beach.

Dr. Marshall thanked Ms. McDevitt for her service as Chair of this Board. He said she had left the Board better than it was when she started. He said he was the senior member of this Board, having recently celebrated his 87th birthday. He said he was a former President of FSU, from 1969 to 1976, having served on its faculty as well. He said he had now served on this Board for four years and over the years had had the opportunity to serve on a variety of Commissions and Task Forces. Mr. Martin said he was a Senior Vice President for a major engineering firm, as the national practice leader for transit and rail. He said he had now served four years as a member of this Board and was currently serving as Chair of the Strategic Planning Committee. He commented that he was calling in from Dallas and was sorry that he could not be in one of the "telepresence" suites.

Mr. Perez echoed Dr. Marshall and thanked Ms. McDevitt for her leadership of this Board. He said he had formed his own company, Perez, Bruce and Jonasen, a public affairs and media marketing firm. He said he hosted a daily Spanish morning radio show. He said he served as Chair of the Board's Budget Committee. He welcomed the group of excellent new members to the Board. Mr. Rood said he had been U.S. Ambassador to the Bahamas from 2004 to 2007. He said he had long been involved with UNF. He said he was a developer and in the real estate business, and as such would have the time to dedicate his service to this Board.

Commissioner Smith said he served as the Commissioner of Education, and was a graduate with several degrees from the SUS. Dr. Solano said she was the faculty member on the Board, as Chair of the Faculty Senate. She said she had been involved in higher education for 40 years. She said she had done her graduate work at FSU and had worked at the time for the Board of Regents. She said she had been at UNF since 1970 and was now the Director of the School of Computing. She said she had always advocated the involvement of faculty in higher education governance and was pleased that the Amendment had provided for faculty membership on this Board.

Mr. Stavros said he had been a businessman for over 30 years involved in the manufacture of computer forms and printing. He said he had a lifelong passion for higher education, having served on boards of the FSU Foundation and of the USF Foundation. He estimated that he had raised about \$600 million for these universities.

He said he had been a charter member of the USF Board of Trustees and that it was a privilege to serve as a member of this Board of Governors. He said he knew the important role of the universities to the economic health of Florida. He said he was now in his fourth year on the Board and was also one of its senior members.

Mr. Temple said he was calling in from San Francisco. He said he was a community developer and had been with the Arvida Company during its heyday. He said he had also served as a trustee at FAU and was currently a member of the Council of 100. Mr. Tripp also extended his appreciation to Ms. McDevitt. He said she had done an excellent job and the Board would miss her. He said he was an attorney in Ft. Lauderdale with the firm Tripp Scott. He said he served as the Chair of the Board's Audit and Compliance Committee. He said he had also served two terms with the State Board of Community Colleges, having served as that Board's Vice Chair and Chair. He said he was an initial appointee to the FAU Board of Trustees, also serving as its Vice Chair and Chair.

Ms. McDevitt also introduced Mr. Dick Beard who would be taking her seat the next day. Mr. Beard said he was also a real estate developer, and had been president and owner of R.A. Beard Co. He said he had retired in the early 1990's and was now a real estate investor. He said he had served the final six months of the Board of Regents. He said he had been an initial appointee to the USF Board of Trustees, and had served as Chair of that Board. He said he was looking forward to serving as a member of this Board.

Ms. McDevitt said this was clearly a diverse and talented Board. She thanked them for their remarks.

5. Chancellor's Update

Chancellor Brogan thanked Chair McDevitt. He said she had left the Board better than she had found it. He said the next Chair would have big shoes to fill. He said he saw a bright future for the State University System.

The Chancellor outlined events surrounding the March Board meeting. He noted that the Legislative Session would begin on Tuesday, March 2, 2010. He proposed that the new members come to Tallahassee the morning of Tuesday, March 16, 2010, for an orientation, from 11:00 a.m. to 2:00 p.m., with a working lunch. He said there would be a second joint meeting of this Board with the State Board of Education, scheduled from 3:00 to 5:00 p.m., on March 16. He said the members would hear an update of the efforts so far on issues of better articulation, organization and strategic planning for all delivery systems. He said the Board of Governors meetings would be held on Wednesday, March 17, 2010, with committee meetings beginning at 8:30 a.m., followed at the end of the day by the regular Board meeting. Finally, for those who would be able to stay through Thursday, he suggested that members spend time on

Thursday, March 18, 2010, visiting with members of the House and Senate. He said staff would schedule meetings for Board members with Legislators.

Chancellor Brogan noted that Governor Crist had come to the January Board meeting and had endorsed the New Florida Initiative and the \$100 million in new funds to the System, as a down payment on the longer term funding stream. He said even in difficult economic times, there was a significant return on investment in the universities. He noted that research and development at the universities brought into Florida almost \$1.2 billion in assets. He noted that the state contribution to the SUS totaled about \$2 billion.

Chancellor Brogan said the System's accountability piece was an important selling point for New Florida. He said as the universities identified their unique missions, they would help recast the whole Florida economy. He noted that both the Florida Chamber of Commerce and the Council of 100 supported New Florida. He said representatives had testified to Senator Lynn's Committee about the intelligence of the New Florida approach. He said he was excited about the new Trustees who had now begun their service on the university boards.

Chancellor Brogan thanked Mr. Barnes for helping organize the "Rally in Tally," to be held Thursday, March 4, 2010. He said students, faculty, trustees and Board members would extol the virtues of the efforts of the State University System. He thanked student government leaders for their support and for their recognition of the importance of investing in higher education.

He said staff had begun working with the universities on the tuition differential fee and the requirement that they propose their increases to this Board. He said he hoped the universities were actively engaged in these discussions.

Chancellor Brogan said he had heard from the Chair of the FAU Board, Ms. Nancy Blosser, who had reported that they had 40 candidates in their presidential search. He said the Search Committee would conduct interviews on February 25, and invite the finalists to campus for visits on March 1 and March 2. He said they would conduct the final interviews and name the new President on March 3, 2010. He said the process had been inclusive and had included students, faculty, staff and the general public. He said they had an impressive list of applicants and he applauded them for their good work.

6. Election of BOG Officers, Chair and Vice Chair

Ms. McDevitt said that as a result of her departure from the Board, the Board needed to hold an election of officers. She recognized Mr. Tripp. Mr. Tripp said it was an honor and a privilege to nominate Ms. Ava Parker as the next Chair of the Board of Governors. He said that she was a caring, courageous and gracious woman. He noted

that she was also an extremely strong woman with an outstanding intellect. He said she had the respect of all the members of the Board of Governors and that she would represent the Board with great skill. Mr. Rood seconded the motion.

Mr. Perez offered an amended motion, and moved that the Board elect a slate of officers, with Ms. Parker as Chair and Mr. Dean Colson as Vice Chair of the Board of Governors. Mr. Stavros seconded the amended motion.

Mr. Tripp, as the maker of the first motion, accepted the amendment, as did Mr. Rood. There were no further comments, and members of the Board elected Ms. Ava Parker, as Chair, and Mr. Dean Colson, as Vice Chair, of the Board of Governors, unanimously.

Ms. Parker thanked the members for their confidence in her. She said she looked forward to serving as the Board's Chair. She said this Board was unique in having an impact on the lives of students. She said the universities were the economic engines and had the opportunity to shape the future. She said they were critical to Florida being known for more than tourism and beaches. She thanked the members who had now left the Board for their service, Sheila McDevitt, Carolyn Roberts, John Dasburg and Zach Zachariah. She said she hoped the new members would bring the same passion and energy, and that they were prepared to roll up their sleeves and get to work. She said the Board needed their leadership and their active participation.

Mr. Colson extended his thanks to the members for electing him to serve as the Vice Chair. He said he had spent a great deal of time with Carolyn Roberts and Sheila McDevitt these past two years, so he felt very conversant with many of the issues facing this Board. He said he, too, was excited about working with all of them and that he was very passionate about higher education.

Ms. McDevitt said the Board had elected two wonderful leaders and she wished them the best.

7. Closing Remarks and Adjournment

Ms. McDevitt said there were many things she felt she was leaving undone. She encouraged the Board to continue to seek resolution on the matter of the Graham litigation and continue to seek funding for new residencies. She said the Board needed to be attentive to tuition and continue to seek predictability in state funding. She extended her thanks to Chancellor Brogan, to his Chief of Staff, Randy Goin, and to all the members of the Board staff.

She reminded members of the meetings in Tallahassee on March 16, 17, and 18, 2010. She said she was glad FSU was hosting the meeting. She encouraged members to stay over to March 18 to visit members of the Legislature. She commented that these

personal visits were very important and very helpful. She noted that the joint meeting with the State Board was also important as the Boards needed collaboration for the benefit of the students and to make sure the right programs were in the right locations. She said she remained ready to help.

Having no further business, the Chair adjourned the conference call meeting of the Board of Governors at 12:30 p.m., February 18, 2010.

Sheila M. McDevitt,
Chair

Mary-Anne Besteberurtje,
Corporate Secretary