



Item: III.c.

Thursday, September 28, 2017

SUBJECT: EXTENSION OF 2017-18 HARBOR BRANCH OCEANOGRAPHIC INSTITUTE FOUNDATION, INC. OPERATING BUDGET LIMITED APPROVAL

PROPOSED BOARD ACTION

Extend a limited approval of the Harbor Branch Oceanographic Institute Foundation, Inc. (HBOIF) Operating Budget for sixty (60) days, until November 30, 2017.

BACKGROUND INFORMATION

Consistent with State and University requirements, the HBOIF Board of Directors submitted to this Board a proposed 2017-18 operating budget for review and approval. The proposed budget deviated materially from HBOIF's 2016-17 budget largely due to expenditures designated for legal fees associated with a declaratory judgment action initiated by HBOIF against FAU. In order to give HBOIF and FAU time to mediate the pending legal action, this Board approved a continuation of the 2016-17 HBOIF Operating Budget for one quarter, through September 30, 2017.

FAU obtained a court order requiring mediation to occur before September 30, 2017. However, due to Hurricane Irma and other unforeseen disruptions, completion of the mediation before September 30 proved infeasible. Therefore, to provide HBOIF an operating budget so that mediation may proceed, the Administration requests that this Board approve a limited extension of the 2016-17 continuation budget through November 30, 2017.

IMPLEMENTATION PLAN/DATE

October 1, 2017 – November 30, 2017.

FISCAL IMPLICATIONS

N/A

Supporting Documentation: None

Presented by: Mr. David Kian, Vice President & General Counsel