

HARBOR BRANCH OCEANOGRAPHIC INSTITUTE

FOUNDATION

OPERATIONS REPORT January 24, 2019

The following information provides an overview of operational activities in the Foundation offices since the last report of October 2018.

GENERAL & ADMINISTRATIVE

Kissman, Dutton, and Permenter accomplished regular and ongoing operating activities.

LITIGATION

The December 6, 2018 hearing on FAU's motion for partial summary judgment began at 9:00 am. Sherwood Bauer, Jr. immediately announced that, after reading the parties' written submissions, he realized former FAU President Frank Brogan was involved in the case and would likely be a witness. Judge Bauer announced that he needed to recuse himself from the case because of his close personal relationship with Mr. Brogan. Judge Bauer stated that a new judge will be assigned by the beginning of 2019.

In effect, this was a de facto continuance of FAU's summary judgment hearing, which is what we were seeking from the Court. Our attorneys Beasley & Galardi, P.A., indicated they would use the time to again pursue the discovery (document production and depositions) that FAU was required to provide following the September discovery hearing. The Foundation believes there is no good faith basis for FAU to continue to withhold production.

Judge Lawrence M. Mirman has since been assigned to the case.

Further updates will be provided at the January Board Meeting. Kissman has been in regular contact with the attorneys, responding to questions and requests for information.

BOARD OF DIRECTORS

In addition to logistical planning and pulling together background information for our January Board of Directors meeting, we have also planned and supported meetings of the following Committees:

Audit Committee	December 12, 2018
Finance Committee	January 18, 2019

Please see the Meeting Minutes for these meetings in the Board Portal.

FINANCIAL

Investments

Please see the financial reports from The Atlantic Consulting Group in the Finance Committee folders on the Board Portal.

Operations

Variiances between budget and actual to date have been additions in the proposed FY18 Mid-Year Budget Revision reviewed and being recommended by the Finance Committee at the January Board of Directors meeting.

Following up on the last Operations Report, the Morgan Stanley 401K account has been established and the Foundation moved to a Safe Harbor plan effective January 1, 2019. The third party administrator of the plan, Aimpoint, is moving forward with completing the non-discrimination testing and preparing the annual report with Form 5500 based on the census information provided.

The proposed FY20 Budgets will be reviewed by the Finance Committee at their April 19, 2019 meeting for recommendation to the Board at the full Board Meeting on April 25, 2019.

Renewal of the ***Love Your Lagoon*** trademark is underway. The Dean Mead office in Orlando is handling the application. The original registration date was January 21, 2014

SPECIALTY LICENSE PLATES

When the Foundation took back SLP Marketing in June of last year, we reviewed the Marketing Analysis provided by Florida Opinion Research in 2014. We looked at the marketing efforts from 2015 to 2018 and re-affirmed our belief that:

A large portion of sales resulted from an informed public who is aware of the opportunity to purchase a specialty license plate at the time they are getting their new or renewed license plates. And while it wasn't necessarily due to an affinity with the mission of the recipient of plate funds, that awareness could help. To a lesser extent, sales resulted due to design attractiveness.

With that we determined that marketing efforts which focused on increasing plate awareness could be more beneficial when focused toward tax collector offices such as providing banners, printed material, renewal inserts, ads, and branded materials rather than attendance at events.

A recent review of charts plotting revenue dollars, number of plates retained, and number of new plates showed numbers trending to be more consistent month to month instead of high and low swings during previous fiscal year.

And since Conlan Kennedy's departure (FAU employee funded with SLP Marketing Funds), Katha Kissman has been implementing SLP marketing efforts with no budget impact. Subject to the Board's approval of the FY19 Mid-Year Budget Revision, work will be shared by Cyndi Permenter and actual salaries paid for by SLP marketing funds will begin with five months of Cyndi Permenter's pro-rated salary allocated to SLP marketing with the intention of FY20 reflecting a full year. Overall, this will be approximately 1/3 of the salary previously paid to Conlan Kennedy.

Here is an overview of marketing dollars use to date this fiscal year.

Tax Collector Outreach

We reached out to the top 40 Counties for our four plate sales in 2017 as well as focused on coastline counties. This effort has resulted in placing the re-designed Rack Cards and/or Retractable Banners in:

- Indian River County (3 offices)
- Putnam County (3 offices)
- Orange County (5 offices)
- Brevard County (6 offices)
- Santa Rosa County (3 offices)

In addition, we have scheduled driver license renewal inserts in the mailings of the following counties:

County	Inserts	Mailing
Brevard	24,000	December 2018
Hernando	12,000	June 2019
Indian River	7,200	August 2019
Indian River	9,000	June 2019
Levy	3,000	March 2019
Seminole	24,000	April 2019

We currently have our full Wall Display in the main St. Lucie County Tax Collector's Office, a full Wall Display in one of the Orange County Tax Collector's Office, and a half Wall Display in the Martin County Tax Collector's office.

We also sponsored "Kids Tag Art" with the Indian River Tax Collector's Office.

Ads

Print Ads have appeared in:

- Vero at 100 (Special Issue)
- Indian River Magazine (Quarterly)
- City Guide of Sebastian and Vero Beach (4 issues)
- Vero's Voice Magazine (six months)

Radio ads and six on-air SLP interviews by Rhett Palmer with me and HBOI PIs who have SLP projects are scheduled monthly beginning in January.

TV ads appeared in the July 2018 Shark Week via Comcast. New plate sales of the SOS and PWD plates in July (Shark Week month) appears to have increased in 2018 over 2017.

We re-contracted for a year of service with DZ Advertising for a comprehensive digital online advertising program on social media. This effort is now more robust but did not begin until October 2018. Full results are yet to be seen from the change in marketing efforts since Conlan Kennedy's departure.

Print Materials and Branded Swag

We began by increasing our efforts to distribute swag on hand, especially as they were heavily branded with FAU Harbor Branch rather than the Foundation.

Updated Materials and Branded Swag included:

- SLP Rack Cards
- SLP Bookmarks
- How to **Love Your Lagoon** Bookmarks
- Re-usable Shopping Bags - 4 plates on one
- Coffee Mugs – individual plates
- Key Tags - PFW
- Tattoos -- PFW
- T-Shirts – all 4 plates on one

Community Outreach

We did provide swag for the Right Whale Festival in Jacksonville, the Indian River Lagoon Science Festival in Fort Pierce (a sponsor), and the Vero Marine Center Boat Show (Vero Beach).

We also regularly provide Materials and Branded Swag to the HBOI Ocean Discovery Visitor's Center and to HBOI Staff who have visitors or who are presenting off site.

We are sponsoring the January Indian River Regional Science & Engineering Fair and the April St. Lucie County Tax Collector's Donate Life Florida Local Celebrity Lunch.

We have partnered with Seafood Watch and have branded Aquaculture pocket cards for distribution.

We will continue to look for other opportunities as we have remaining budget for this fiscal year. Any funds not spent on marketing will remain in plate pools as available for SLP grant awards.

SPECIALTY LICENSE PLATE MONITORING AND GRANT MAKING

The SLP RFP for ***Aquaculture*** and ***Save Our Seas*** is going out on January 25, 2019. Following past practice, SOIs will be invited for submission prior to invitation to submit proposals. Invited proposals were received and reviewed by the SLP Review Committee in April, 2019.

As previously noted, we continue to monitor progress of the following active awards for all plates:

Plate & Funding Year	SOS Project	PI	Co-PIs	Award Amount
SOS FY18 NCE	An Innovative Approach to Sponge Community Restoration	Shirley Pomponi, PhD	None	\$25,991
SOS FY19	Indian River Lagoon Observatory (IRLO): Ecosystem Function of a Nationally Important Estuary in Transition	Dennis Hanisak, PhD	None	\$431,670
SOS FY19	Florida Deep-water Marine Biodiversity: Digitization of Submersible Videotapes for Research, Education, and Conservation	John Reed, M.Sc.	Shirley Pomponi, PhD Amy Wright, PhD Dennis Hanisak, PhD	\$35,000
SOS FY19	Improving Monitoring and Understanding of Phytoplankton and Harmful Algal Blooms in the Southern Indian River Lagoon	Jim Sullivan, PhD	Dennis Hanisak, PhD Malcolm McFarland, PhD	\$34,903
SOS FY19	Determining New Sediment Metrics for Seagrass Restoration Monitoring	Dennis Hanisak, PhD	Jordan Beckler, PhD	\$35,000
SOS FY19	Water Quality and Biological Responses of Florida Bay to Freshwater Discharges from Everglades	Mingshun Jiang, PhD	Brian Lapointe, PhD	\$35,000
SOS FY19	Characterizing Polyaromatic Hydrocarbons in the Indian River Lagoon	Amy Wright, PhD	Esther Guzmán, PhD	\$35,000
SOS FY19	Differential Gene and Proteain Expression on Triple Negative Breast Cancer Cells Treated with a Marine Natural Compound	Esther Guzmán, PhD	Amy Wright, PhD	\$16,671
AQUA FY19	Advancement of Land-based Integrated Multitrophic Aquaculture	Paul Wills, PhD	Bing Ouyang, PhD Annie Dalglish, PhD Dennis Hanisak, PhD Susan Laramore, PhD	\$230,000

			Peter McCarthy, PhD Mingshun Jiang, PhD Shirley Pomponi, PhD	
AQUA FY19	Determining the Market and Nutritional Value for Sea Vegetable Aquaculture	Megan Davis, PhD	Dennis Hanisak, PhD Paul Wills, PhD	\$14,282
PWD CY17 NCE	Epidemiology and Population Health of Indian River Lagoon Bottlenose Dolphins	Adam Schaefer, PhD	None	\$160,000
PWD CY19	Photo-Identification – Update and Expansion of Publications and Scientific Data Dissemination	Marilyn Mazzoil	Brandy Nelson Adam Schaefer, PhD Elizabeth Titcomb	\$321,111
PWD CY19	Wild Dolphin Stranding Response, Care and Research	Steve Burton, MS	Adam Schaefer, MPH Annie Page-Karjian, PhD	\$300,000
PWD CY19	Dolphins as Sentinels for Harmful Algal Bloom Toxins in the Indian River Lagoon: An Interdisciplinary Study	Jim Sullivan, PhD	Adam Schaefer, MPH Malcolm McFarland, PhD	\$105,709
PWD CY19	Real-time Assessment and Management of the Risk of Infectious Disease in Florida Wild Dolphins	Greg O’Corry-Crowe, PhD	Steve Burton, MS Annie Page-Karjian, PhD Tatiana Ferrer	\$151,000
PFW CY19	Florida Whale Stranding Response, Care and Research*	Steve Burton, MS	Adam Schaefer, MPH Annie Page-Karjian, PhD	\$0
PFW CY19	Exploring Florida Whale Health in a Rapidly Changing Environment	Annie Page-Karjian, PhD	Adam Schaefer, MPH Steve Burton, MS Nick Dickens, PhD Jordan Beckler, PhD Wendy Marks, CVT Mingshun Jiang, PhD	\$167,202
PFW CY19	Using Emerging Technologies for Population and Behavioral Ecology Assessment of Florida Whales	Greg O’Corry-Crowe, PhD	Steve Burton, MS Laurent Cherubin, PhD Annie Page-Karjian, PhD	\$123,091

*Note: There were no additional funds granted to Florida Whale Stranding Response, Care and Research due to the amount of unspent funds in the project at December 31, 2018. Instead, the period of performance was extended until December 31, 2019 so that the funds could be spent.

GRANTS ADMINISTRATION

As a reminder, the current Active Grants Portfolio includes:

New Faculty Hires & Start Up Grant Support -- Paid out to date: \$4,963,998

Original grant of **\$5,481,051** toward support for 8 new Faculty hires (salary and start up packages over 7 years, phased). All slots now hired. Projected to conclude by 6.30.20

- Dr. Laurent Cherubin, Physical Oceanographer (2013)
- Dr. Mingshun Jiang, Physical Oceanographer (2013)
- Dr. Marty Riche, Aquaculture Nutritionist (2014) – no longer employed 2/2018
- Dr. Guojun Wang, Biosynthesis (2015)
- Dr. Mike Twardowski, Marine Technologist (2015)
- Dr. James Sullivan, Biological Oceanographer (2015)
- Dr. Matt Ajemian, Fish Biologist (2016)
- Dr. Nick Dickens, Bioinformatics (2016)

Faculty Incentive Awards Grant Support -- Paid out to date: \$1,029,928

Original grant of **\$1,465,000** designated on a per year basis plus an additional up to \$400,000* Float over the lifetime of the grant period if needed (7 years). *Partial redistribution of \$200,000 from the *Float to contribute to fund a FY19 Bridge Funds Pool (see below). Balance of \$114,369 to remain as Incentive Float. Projected to conclude by 6.30.19

Promoting Faculty Recruitment, Retention and Research Excellence – Paid out to date: \$233,655

One year grant of **\$520,000** to build on the successful conclusion of the three-year Ensuring Faculty Excellence grant which concluded June 30, 2018. This grant will support the recruitment and retention of top scientific talent conducting research at the Institute.

The Florida Center for Coastal and Human Health -- Paid out to date: \$196,248

Original grant of **\$650,000** to support the first year of this major project to establish the Florida Center for Coastal and Human Health which will provide integrated research of the biological, physical, chemical, genomic, transcriptomic and toxicity characteristics of Harmful Algal Bloom events in the Indian River Lagoon ecosystem.

Bridge Funds Pool -- Paid out to date: \$0.00

Grant of **\$200,000** to provide temporary (up to 12 months) support to retain faculty and their essential personnel during continuing efforts to obtain full extramural funding or during the transition of faculty back into research after having an administrative role.

Love Your Lagoon Grants -- Awarded to date: \$614,967

Grant of **\$102,700** for the 2018 Indian River Lagoon Graduate Research Fellows Program. To be completed 6.30.19. These funds are over and above the ongoing annual support of the Indian River Lagoon Symposium.

Special Initiative

In addition, the Foundation has provided discretionary support on the credit card issued to Dr. Jim Sullivan:

DATE	ACTIVITY	FUNDING
9/27/18	FAU faculty member retreat to share current projects, technology, and promote new interactions – Catered by TooJay’s	\$381.23
10/10/18	Dinner with Ocean Science Lecture speaker Duane DeFreese, Executive Director of the IRL Council, Dennis Hanisak, and Jim Sullivan	51.33
10/15/18	Harbor Branch Oceanographic Institute FAU faculty members retreat to share current projects, technology, and promote new interactions	18.00
11/14/18	Introduction dinner with Jim Sullivan, John McConnell, past HBOIF board member, Cara Perry, Assistant VP of Communication FAU Northern Campuses	69.78
11/30/18	Pre-meeting before Harris Corp meeting attended by Jim Sullivan, Bing Ouyang, Mike Twardowski, Jason Hallstrom, Fraser Dalgleish	91.36
12/10/18	Catering of Three Minute Thesis Competition	400.00
	<i>Paid out to date:</i>	<i>\$1,011.70</i>

LEGISLATIVE

Nothing to report at this time.

HBOIF REAL ESTATE HOLDINGS

Nothing to report at this time.

2019 LOVE YOUR LAGOON

Videos

We have updated all past honoree videos and will be rotating them on our Facebook page. We have also created a new video of Senator Negrón and will include on our Facebook page. All will be on our account at YouTube.

- 2012 Honoree: Nathaniel Reed: <https://www.youtube.com/watch?v=CQEcuTIJ5sA>
- 2013 Honoree: Bud Adams: <https://www.youtube.com/watch?v=7Qm7kulXmZY>
- 2014 Honoree: Alma Lee Loy: <https://www.youtube.com/watch?v=OEq8CUZAsIM>
- 2015 Honoree: Mark Perry: <https://www.youtube.com/watch?v=6YHDT0zlwko>
- 2016 Honoree: Dr. Mary Rice: <https://www.youtube.com/watch?v=jEqBSM7O1hY>
- 2017 Honoree: Diane Barile: <https://www.youtube.com/watch?v=u93cgdzp0Bw>
- 2018 Honorees: The HBOI Principal Investigators: <https://youtu.be/FvIUJX51F6E>
- 2019 Honoree: Senator Joe Negrón: <https://youtu.be/H7gAmaTP7mE>

Sponsors to date include:

2019 LOVE YOUR LAGOON SPONSORS

Mangrove Sponsors

Mr. Joseph Z. Duke, III and Mrs. Jennifer Johnson Duke
Mr. Michael O’Reilly and Mrs. Marie O’Reilly

Seagrass Sponsors

Parker
Ms. Marjorie Raines and Mr. Harold Baker

Dolphin Sponsors

Evans Properties, Inc.
John N. McConnell, Jr. and Marilyn P. McConnell
William J. Stewart, Esq. and Mrs. Laurie Kaneb Stewart and
the Law Firm of Rossway Swan Tierney Barry Lacey & Oliver, P.L.
Mr. Michael Toner and Mrs. Carol Toner

Manatee Sponsors

AT&T
Mr. Michael Brown, Sr. and Mrs. Mimi Brown
Florida Power & Light
Mr. Wyatt Koch
Mr. Michael Minton and Mrs. Misty Minton and
the Law Firm of Dean, Mead, Minton & Zwemer
Mr. Ed Michelson and The Atlanta Consulting Group
Wells Fargo

Seahorse Sponsors

Adams Ranch
Mr. C. Amos Bussmann and Sea Technology Magazine
DZ Advertising
Dr. Joseph Ferro and Mrs. Olivia Ferro
Ms. Katha Kissman
Kmetz, Elwell, Graham & Associates, PLLC
Dr. Ed Lippisch and Mrs. Jacqui Thurlow-Lippisch
Martin County Community Foundation
Martin Health Systems
Metz, Husband & Daughton, P.A.
The Mikita Foundation
Oceans, Reefs & Aquariums – ORA
Mr. John Papa and Mrs. Barbara Papa
Dale Sorensen Real Estate
Ms. Isabelle Tapley
Vero Insurance
Windsor
Wyland Foundation

PUBLIC RELATIONS AND OUTREACH

Board Members have been provided updates on Recent Media involving both HBOI and HBOIF on a real-time basis.

2018 Annual Report

The 2018 Annual Report is now online. Hard copies as well as an electronic .pdf are available for distribution.

New Website

The HBOIF website has been redesigned and is now live: <https://hboifoundation.org/>

eNewsletter

Since July 20, 2017 we have sent 47 eNewsletters to almost 4,000 email addresses in our database. These have gone out every 1-4 weeks. To date we have had almost 30,000 opens of our eNewsletters.

Parabel Field Trip

Following my introduction of Ron Edwards (Evans Properties) to Jim Sullivan, I am arranging a Harbor Branch field trip to visit Parabel (<http://www.parabel.com/>). This biotechnology hydroponics company located in nearby Fellsmere is focusing on sustainable food and feed.

Jefferson Leadership Project

Following up on the December 3, 10-11 am for a video conference call between HBOI representatives and members of the Jefferson Project leadership team, Jefferson Project team members will be visiting Harbor Branch in April, 2019. Please see Jefferson Project website: <http://jeffersonproject.rpi.edu> for an initial high level overview of the project; the navigation tabs *About, In The Lab, On The Lake, Collaborators, News and Progress* for specifics.

In addition to staff attendance at various HBOI events additional activities since the April Board meeting have included:

Onsite:

11/16/18	Dutton and Kissman attended the Faculty Assembly Lecture
11/2/18	Dutton and Kissman attended the Faculty Assembly Lecture
11/30/18	Dutton and Kissman attended the Faculty Assembly Lecture
12/6/18	Permenter, Dutton and Kissman attended the HBOI Holiday Party
12/13/18	Permenter, Dutton and Kissman attended the Marilyn C. Link Holiday Luncheon
12/14/18	Dutton and Kissman attended the Faculty Assembly Lecture
1/4/19	Kissman hosted Jim Sullivan for lunch
1/9/19	Dutton and Kissman attended the HBOI Ocean Science Lecture
1/16/19	Dutton attended the HBOI Ocean Science Lecture
1/23/19	Kissman attended the HBOI Ocean Science Lecture

Offsite:

10/27/2018	Kissman attended Indian River Lagoon Science Festival
10/29/2018	Kissman Lunch -- Jeff Pickering, Indian River Community Foundation
11/1/2018	Kissman attended Cathy Ferrell Opening, J. M. Springer Gallery (LYL Award artist)
11/2/2018	Kissman Lunch -- Liz Bruner, Indian River Medical Center Foundation
11/6/2018	Kissman attended County Commissioner's Meeting for AFP proclamation
11/8/2018	Kissman Indian River Land Trust Gala
11/9/2018	Kissman AFP Board Meeting
11/13/2018	Kissman attended Indian River Tax Collector's Kids Tag Art Awards Ceremony
11/14/2018	Kissman attended National Philanthropy Day with Bill and Laurie Stewart
11/27/2018	Kissman AFP Meeting with Peggy Gibbs, AFP
12/5/2018	Permenter and Kissman attended Indian River County Chamber of Commerce Annual Holiday Breakfast
12/5/2018	Kissman attended AFP Annual Meeting
12/14/2018	Kissman attended AFP Board Meeting
1/10/2019	Kissman meeting with Orange County Tax Collector's Office
1/11/2019	Kissman attended AFP Board Meeting
1/16/19	Kissman attended IR County Chamber Legislative Luncheon with Bill Stewart
1/16/2019	Kissman attended Impact 100 meeting
1/18/2019	Kissman attended AFP Membership Meeting
1/22/19	Kissman AFP Meeting with Steve Schwartz, PD-Go