

HARBOR BRANCH OCEANOGRAPHIC INSTITUTE

FOUNDATION

OPERATIONS REPORT November 3, 2017

The following information provides an overview of operational activities in the Foundation offices since the April 25, 2017 Board meeting.

GENERAL & ADMINISTRATIVE

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

BOARD OF DIRECTORS

In addition to logistical planning and pulling together background information for our April Board of Directors meeting, we have also planned and supported meetings of the Audit, Nominating, and Finance Committees on:

Audit Committee	October 9, 2017
Nominating Committee	August 2, 2017
Finance Committee	May 19, 2017
	May 23, 2017
	August 9, 2017
	October 13, 2017

The Governance Committee has not convened since the last Board Meeting.

FINANCIAL

FY17 Year End close out was accomplished. The FY18 HBOIF Board Approved budget was institutionalized as of July 1, 2017. To date there are no significant variances to report with the budget.

AUDIT

The FY17 Audit was conducted by BDO USA beginning with fieldwork in August and final requests/report preparations in September/October in advance of the October 13, 2017 Audit Committee meeting. Documents were prepared and forwarded to FAU in advance of its mandated October 15, 2017 deadline with the caveat that they had been approved by Audit Committee only with full Board approval to take place at the November 9 Board Meeting.

SPECIALTY LICENSE PLATE PROGRAM

As previously reported, plate sales are up slightly over last fiscal year.

The new process for handling SLP funds has been fully institutionalized and has resulted in the anticipated outcomes of greater transparency and ability to monitor.

The SLP RFP and Review Process for FY18 Save Our Seas and Aquaculture Plate Funding resulted in awards as follows:

Project	PI	Co-PIs	Award Amount
Indian River Lagoon Observatory (IRLO): Ecosystem Function of a Nationally Important Estuary in Transition	Dennis Hanisak	None	\$442,707
Investigating Critical Factors Affecting Sea Turtle Health in Florida	Annie Page-Karjian	Justin Perrault Jeffrey Cartzendafner	\$31,000
Snap, Crackle, Pop: Capturing Mollusk Predation with Acoustics	Matt Ajemian	Laurent Cherubin	\$31,000
Developing Next Generation Ocean Color Remote Sensing Algorithms for Indian River Lagoon (IRL) HAB's and Other Particles	Mike Twardowski	James Sullivan Malcolm McFarland Aditya Nayak	\$31,000
An Innovative Approach to Sponge Community Restoration	Shirley Pomponi	Maria Cristina Diaz	\$25,991
Advancement of Land-based Integrated Multitrophic Aquaculture	Paul Wills	Anni Dagleish Dennis Hanisak Mingshun Jiang Susan Laramore Peter McCarthy Bing Ouyang Shirley Pomponi Martin Riche	\$249,021
TOTAL AMOUNT FUNDED FOR FY18:			\$810,719

The SLP RFP and Review Process for CY18 Protect Wild Dolphins and Protect Florida Whales Plate Funding resulted in awards as follows:

Project	PI	Co-PIs	Award Amount
Photo-Identification – Dolphin Census and Spatiotemporal Trends	Marilyn Mazzoil	None	\$500,000
Wild Dolphins Stranding Response, Care and Research	Steve Burton	Annie Page-Karjian Adam Schaefer	\$197,000
Marine Mammal Rehabilitation Reserve Funds - PWD	Steve Burton	Adam Schaefer Annie Page-Karjian	\$65,500
Dolphins as Sentinels for Harmful Algal Bloom Toxins in the Indian River Lagoon: An Interdisciplinary Study	James Sullivan	Adam Schaefer Malcolm McFarland Spencer Fire	\$90,000
Florida Whale Stranding Response, Care and Research	Steve Burton	Annie Page-Karjian Adam Schaefer	\$221,415
Marine Mammal Rehabilitation Reserve Funds - PFW	Steve Burton	Adam Schaefer Annie Page-Karjian	33,000
TOTAL AMOUNT FUNDED FOR CY18:			\$1,106,915

GRANTS ADMINISTRATION

As a reminder, the current Active Grants Portfolio includes:

New Faculty Hires & Start Up Grant Support

\$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 6.30.20

- Dr. Laurent Cherubin, Physical Oceanographer (2013)
- Dr. Mingshun Jiang, Physical Oceanographer (2013)
- Dr. Marty Riche, Aquaculture Nutritionist (2014)
- 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)

Paid out to date: \$3,820,347

Faculty Incentive Awards Grant Support

\$1,465,000 designated on a per year basis plus an additional up to \$400,000 over the lifetime of the grant period if needed (7 years). Projected to conclude 6.30.19

Paid out to date: \$818,505

Faculty Excellence/Salary Support

\$578,250 per year based on 3 years estimate of salaries & fringes; renewal consideration should be based on the development of specific criteria. Projected to conclude 10.1.18

Paid out to date: \$1,283,176

Love Your Lagoon Grants

- \$89,826 for the 2017 Indian River Lagoon Graduate Research Fellows Program. To be completed 5.4.18
(These funds are over and above the ongoing annual support of the Indian River Lagoon Symposium)

Paid out to date: \$505,900

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

DATE	ACTIVITY	FUNDING
7/17/17	Lunch with Duane DeFreese – IRL NEP	47.41
7/20/17	Meeting to introduce HBOI to Strategic Marketing Innovations (SMI) a new lobbyist company working with FAU	24.00
8/30/17	Lunch with Navitas Group	80.00
9/27/17	2 tickets for 33 rd Annual Business & Industry Awards – St. Lucie County Chamber of Commerce	100.00
9/19/17	All Hands Meeting – Pizza Lunch	321.22
9/19/17	All Hands Meeting - Refreshments	110.00
9/20/17	Reception for researchers and their staff following the kick off of a newly created science seminar series	120.00
	Paid out to date:	802.63

LEGISLATIVE

Kissman has regularly consulted with Andy Palmer and Allison Libby-Schoonover of Metz, Husband and Daughton regarding issues of possible note to HBOIF, particularly during this session.

HBOIF REAL ESTATE HOLDINGS

The FY18 Budget as recommended by the Finance Committee included funding to obtain updated appraisals on Foundation properties to ensure we are booking current values on our financials. These appraisals are underway.

ORA Land

There are no further updates at this time. ORA continues to be a wonderful tenant to work with.

Lakela's Mint (former Learning Garden Montessori site)

Property is scheduled for another clean up and mowing in December in accordance with St. Lucie County regulations and in anticipation of possible listing for sale.

Old Citrus Grove

No action since last meeting. Finance Committee to reconsider mitigation bank possibility.

Other Land

At the present time, based on recommendation by Kissman, the Finance Committee has confirmed no intention to sell, lease, use or donate these additional parcels currently held by HBOIF:

- "Salt Water Wells"
- "Behind the Bunker"
- "Channel Parcel"
- "The Triangle"

2018 LOVE YOUR LAGOON

Plans for Love Your Lagoon are going well. We expect a sold out event.

As we were requested to hold the event offsite, the following changes have been made:

The 7th Annual **Love Your Lagoon** will be held Friday, February 2, 2018. Through our collective efforts over the past six **Love Your Lagoon** events, we have provided a total of **\$505,900** to FAU Harbor Branch to directly support the annual Indian River Lagoon Symposium and various research and outreach efforts on behalf of the Indian River Lagoon.

This **Love Your Lagoon** Gala will be held at the Quail Valley River Club (2345 Florida A1A) in Vero Beach from 6:00 to 8:00 pm.

- This year's event will be reception style with multiple heavy hors d'oeuvre stations and open bars in the large event area at the main clubhouse at Quail. Weather permitting, we will also have the terrace doors open to the patio on the Lagoon.
- We will be limited to 180 guests so we will forgo single ticket sales this year.
- Sponsorships will be the key to underwriting event costs and raising net proceeds. Each sponsorship level will get a designated amount of tickets as before; we will also provide gratis tickets to our honored HBOI Faculty (and selected administrators to the extent possible subject to capacity.) Our past **Love Your Lagoon** Honorees will also be invited gratis as before.
- There will be a very short presentation from a podium, no video.
- We "Saved The Date" in a Foundation eNewsletter.
- We will not have a separate Honorary Host Committee this year. Rather, our Board Members will be listed as the Host Committee. We will also forego a VIP reception this year on HBOI's campus.

Even with a smaller attendance, these and other associated changes will result in reduced expenses. Therefore, if I can secure most of the sponsors from last year as well as a few new ones, I believe we can reach a goal of a net \$100,000. **This amount would fund the 2018 Annual Indian River Lagoon Symposium and approximately ten 2018 Indian River Lagoon Graduate Student Fellows.**

Sponsors to date include:

Mangrove Sponsors

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

Seagrass Sponsors

Oyster Sponsors

Ms. Marjorie Raines and Mr. Harold Baker

Dolphin Sponsors

Evans Properties, Inc.
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
Wyatt Koch
The Law Firm of Dean, Mead, Minton & Zwemer
Mr. Ed Michelson and The Atlanta Consulting Group
Wells Fargo

Seahorse Sponsors

Mr. C. Amos Bussmann and Sea Technology Magazine
Florida Power & Light
Mr. Patrick Higgs and Mrs. Nancy Higgs
Ms. Katha Kissman
Kmetz, Nuttall, Elwell, Graham CPAs
Mrs. Clare Kremer
Ms. Marilyn C. Link
Martin Health Systems
Ott Hydromett
Mr. Christopher Waln and Mrs. Janet Waln

PUBLIC RELATIONS AND OUTREACH

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

As professional development, Kissman attended the BoardSource Associates Knowledge Forum in May and the BoardSource Leadership Forum in Seattle, WA in October. Debbie Dutton and Cyndi Permenter attended The Social Media Marketing Conference held at the Crowne Plaza Oceanfront in Melbourne, Florida on October 24, 2017. The conference was broken into two tracks each covering five topics. Topics ranged from “How Social Media Actually Pays Off” for the beginner to “The Art of Writing for a Social Audience” for the experienced social media user. Cyndi Permenter represented the Foundation at the St. Lucie County Chamber Business & Industry Awards event.

In addition to Staff attending HBOI’s Ocean Science Lectures, two HBOI All Hands On Deck Informational meetings, and the FAU 3 Minute Thesis event, additional activities for Kissman since the April Board meeting have included:

4/27/2017	EDC's 5th Annual Leadership Dinner (Kissman and Permenter attended)
5/2/2017	EDC Investor's Luncheon
5/3/17	IR County Chamber Presentation – Vero Beach Regional Airport
5/9/2017	Lunch, Indian River Land Trust (Ken Grudens, Toni Robinson, Mike O'Reilly)
5/10/2017	Lunch, Diane Barile, 2017 Love Your Lagoon Honoree
5/12/2017	AFP Indian River County, Professional Development Committee Meeting
5/12/2017	Indian River County Chamber Annual Tourism Luncheon
5/15/2017	Indian River County Chamber Board of Directors Meeting
5/17/2017	Indian River County Chamber Breakfast
5/18/2017	Dean Mead Anniversary Celebration
5/24/2017	AFP Indian River County Meeting Workshop
6/1/2017	AFP National Philanthropy Day Nominations Workshop
6/16/2017	AFP Indian River County Board Meeting
6/19/2017	Giving USA Data Release
6/19/2017	Indian River County Chamber Board of Directors Meeting
6/21/2017	Indian River County Chamber Breakfast
6/22/2017	Lunch, Kerry Bartlett (VNA Foundation) & Lenora Ritchie (Carter)
6/22/2017	BDO Orlando Mid-Year Accounting & Tax Update – provided Governance Presentation
6/23/2017	United Way Indian River County Meeting
6/26/2017	Kmetz, Nuttall, Elwell, Graham staff appreciation lunch
6/29/2017	Environmental Learning Center Focus Group
7/19/2017	IR County Chamber Breakfast
7/19/2017	AFP Indian River County Meeting Workshop

7/24/2017	EDC Investor's Luncheon
7/26/2017	Love Your Lagoon site visit to Quail
8/1/2017	CASTLE Board Governance Presentation
8/2/2017	Ribbon Cutting/Open House -- Senator Debbie Mayfield & Rep Erin Grall
8/4/2017	IR County Chamber Legislative Wrap-Up Presentation
8/8/2017	IR County Chamber Economic Outlook Presentation -- Dr. Mark Zandi, Chief Economist, Moody's Analytics
8/16/2017	IR County Chamber Breakfast
8/16/2017	St. Lucie County State of the County luncheon
8/18/2017	AFP Indian River County Board Meeting
8/21/2017	Indian River County Chamber Board of Directors Meeting
9/18/2017	Indian River County Chamber Board of Directors Meeting
9/19/2017	AFP Indian River County Food For Thought Presentation
9/20/2017	IR County Chamber Breakfast
9/21/2017	IR County Chamber 2017 Industry Appreciation Awards Luncheon
9/28/2017	Indian River County Chamber Strategic Planning Meeting
10/6/2017	AFP Indian River County, Professional Development Committee Meeting
10/16/17	Indian River County Chamber Board of Directors Meeting

OTHER

The office has provided extensive information requested in preparation for and as follow up with regard to the complaint filed by the Foundation against FAU. This continues to be ongoing.