

# HARBOR BRANCH OCEANOGRAPHIC INSTITUTE

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## FOUNDATION

### DECISION MEMO

TO: Grants Committee – Distribution of \$7,100 balance from HBO000 for FY20  
Finance Committee – Retirement of HBO000  
FROM: Katha Kissman, President & CEO  
DATE: March 7, 2019  
RE: HBO000

#### **BACKGROUND**

HBO000 is an account in the FAU Foundation. In the July 2009 MOU between FAU and HBOIF, there is a reference to an HBO000 general discretionary fund for HBOI which states: *Requests for expenditures and transfers in HBO000 or other HBOI discretionary accounts will be approved by the HBOIF, or designee.* This account was set up initially after the “merger” to ensure that if a donor had a hesitation about giving a donation for HBOI to FAU, they would have a conduit by which they could ensure that the Foundation would have control and oversight over how the donation was used.

When I arrived in 2013, it was clear there was confusion about checks that came in to the “Harbor Branch Oceanographic Institute Foundation,” the “Harbor Branch Oceanographic Institute,” and/or “the Harbor Branch Oceanographic Institute at FAU” or some version thereof. In conjunction with HBOI, we developed an income protocol for handling donations under the various circumstances.

When the Grants Committee was making discretionary grantmaking decisions for FY15, the Foundation was alerted to a balance in the HBO000 account and we made our grants per the following (see Funding Letter):

Your total combined request was \$650,795.00. We have approved funding for these two projects up to the combined amount of \$629,828.61 which is the sum of \$500,000 in discretionary funding budgeted for FY15 and **\$129,828.61 in the FAU Foundation Discretionary Fund [HBO000]** for use by HBOI at the discretion of HBOIF with the understanding that the grant award will be contingent upon ...

This exhausted most of the funds in HBO000. The remainder was used for smaller institutional HBOI projects upon request. And since 2015, actual deposits to that account have become less and less.

#### **PROPOSAL (GRANTS COMMITTEE)**

The current balance in HBO000 account is **\$7,190.91**. I now recommend providing that amount to the Ocean Discovery Visitor’s Center for the purpose of mounting an **HBOI History Display** and its **DNAngler Citizen Science Program**. Should the Grants Committee agree with this possibility, the Staff will invite a proposal for such from HBOI’s Dr. Gabby Barbarite for FY20.

#### **RETIREMENT OF HBO000 ACCOUNT (FINANCE COMMITTEE)**

The purpose for which the HBO000 account was established is no longer current and relevant. In addition, monitoring this account which is not currently receiving regular funds is an inefficient use of HBOIF and HBOI time and effort. Because HBOIF is no longer fundraising on its own except for **Love Your Lagoon** and because HBOI now has a new development director and structured effort being overseen by the FAU Foundation, confusion over how someone should make out a check is greatly minimized. Should the Grants Committee approve the idea of using the balance to support the above recommendation for the ODVC, I then recommend formally retiring control over the HBO000 account at the FAU Foundation.