

Excerpted from the Organizational Assessment of the Harbor Branch Oceanographic Institute Foundation provided by me in January 2014 when I served as the Interim Executive Director.

Future Opportunities

A. Ensuring Faculty Excellence at HBOI

The hardest thing for any nonprofit organization to fundraise for is personnel dollars. Government, Foundations, Corporations and Individuals donors prefer to see their contributions go to directly support activities, programs, and special initiatives. However, these activities, programs, and special initiatives cannot be done without the expertise of the individuals who steward these programs and, in addition to physical plant expenses, payroll is typically the single greatest line item expense to any nonprofit or educational institution. This has long been a fundraising Catch 22.

In the case of HBOI, salaries of the Faculty at HBOI are a combination of institutionally-supported funding and what is commonly referred to as “soft” money. Soft money is the term used to refer to funding that is not part of the FAU’s state-supported base budget. Soft money is funding through grants - usually from federal, state, or private sources. These grant monies are allocated for a specific program or project (e.g., research study) for a specified period of time. In the case of research projects, when the study is completed, the funds stop, and staff may be non-renewed or even laid off unless other sources of funding are secured. At HBOI attempts are made to provide “bridge funding” until a new source of grant funding is awarded. However this can be challenging to the budget, time consuming, and stressful for both Faculty and management alike.

Currently, FAU provides a minimum of 30% institutionally-supported funding to Faculty positions through its “E and G” (Education and General) funding to HBOI. In exchange for this “guaranteed funding”, Faculty are required to (and evaluated on) their service to the Institute and FAU overall and to compensate for their grant writing time to secure future funding (Faculty cannot be writing for a potential grant while on a grant.) In some cases, due to the nature of the programs being run or additional duties being assigned, some HBOI Faculty receive a higher percentage of institutional funding (an additional 5-30%).

Since the merger with FAU, HBOI Faculty have expressed deep concern about their lack of tenure and what has been referred to as a “lack of job security” while operating under the University structure. While no job security can be guaranteed in any workplace and tenure is generally not offered in research settings, there is an opportunity to further the creative thinking of Board member Mike Toner and Dr. Margaret Leinen with regard to the Incentive Funding and provide maximum impact and Foundation leverage through this updated idea put forth by Board Member Mike Toner.

To have the most positive impact on ongoing HBOI operations, HBOIF could consider providing operational support (payroll) for the HBOI Faculty as a direct grant in the amount up to 50% each year. By providing annual payroll funding of Faculty salaries, HBOI will have a greater opportunity to:

- a) attract the Faculty of the highest caliber;
- b) provide Faculty a keen edge in the competitive grant area by being able to demonstrate an outside “match” of funding for their salary. This cannot be underestimated in these times of the highly competitive landscape for grant dollars;
- c) provide a greater sense of security. This would not mean a substitute for tenure or a guarantee of a position. Faculty would still be required to work in collaboration and conjunction with the goals of the HBOI Strategic Plan and their work and performance would be monitored and evaluated according to peer-developed and generally accepted evaluation tools;
- d) have Faculty spend more of their time on program advancement -- doing the work and not the dollar chase; and
- e) be freed up to partner with HBOI external relations in a more meaningful and targeted way such as community outreach, development, or an Endowment Campaign (see as follows).

The impact to HBOI operations would be significant. Doing this would be contingent upon an agreement with FAU that these freed up dollars from the E & G budget could be reallocated within the HBOI budget and not reabsorbed by the University for non-HBOI budget use.

And by providing this funding, the management of HBOI will have a greater ability to ensure the success measurements of implementation and performance against the Strategic Plan. There are currently in place Guidelines for Satisfactory Performance for HBOI Research Professors, Associate Research Professors, and Assistant Research Professors. The success factors reviewed in these guidelines are: grants and contracts received; publications and patents; professional activities (such as scientific presentation; panels, study, steering committees; Officer in a professional society, peer-reviewer of manuscripts or serving on an Editorial Board; conferences organized/conducted; advising graduate students and successful completion of Masters or PhDs; accredited courses as lead- or co-instructor); Research Center/Institute/University activities, contributions, responsibilities (such as committees, oversea equipment/labs, informal education/presentations; fundraising, marketing, community service.) These are determined by management and peer evaluation. This will allow HBOI to attract, retain, and promote the very best in the field

As an example of what this financial contribution might look like, the current payroll needs of HBOI are:

	Salary	Fringe Benefits	Total
Faculty/Project Managers*	2,234,351	656,899	2,891,250
Technicians/Staff	1,905,807	665,469	2,571,276
Administrative/Operations	2,513,464	776,935	3,290,399
Other (some Physical Plant)**	254,953	90,667	345,619
TOTALS	6,908,575	2,198,970	9,098,544

*Project Mangers have much of the same responsibility as the Faculty but are not Ph.D.s.

**At present, most of the Physical Plant budget is now under FAU directly.

At 50%, the budget impact to HBOIF would be approximately **\$1,117,176** annually if for salaries only and **\$1,445,625** annually if inclusive of fringe benefits.

If something like this were to be considered, the current agreed upon obligation of assisting HBOI with new Faculty hires over the next several years would stay in place until all projected Faculty have been hired under the New Faculty Hire commitment made by the HBOIF in 2011.

In addition, if this proposed funding were adopted, the idea of an Incentive Program should be re-evaluated to ensure that there is funding from the Endowment to continue this program.

The opportunity to support a percentage of the other salaries and fringe benefits of the remaining payroll at HBOI is not part of this discussion at this time although depending upon the performance of the Endowment and the implementation and success of a possible Endowment Campaign (see below), this may be considered at a future date to free up even more E and G funding to be re-directed alternatively to HBOI programs.