

RESEARCH PARK AT FLORIDA ATLANTIC UNIVERSITY®

FLORIDA ATLANTIC RESEARCH AND DEVELOPMENT AUTHORITY

3651 FAU Blvd. Suite 400, Boca Raton, FL 33431

January 31, 2024, at 9:00 AM

Meeting Minutes

Members present:

Ms. Sherry Ambrose	Chair
Mr. Alex Price	Vice Chair
Dr. Francis Salazar	Member – (Arrived 9:25 AM)
Dr. Stacy Volnick	Member
Ms. Maggie Gunther	Member - Zoom
Mr. Imran Siddiqui	Member
Mr. Matt Korshoff	Member

Members absent:

Staff present: Andrew Duffell, President
Jacki Wales, Operations Manager
Ryan Lilly, Global Ventures Program Manager

General Counsel: George Pincus, Esq. – Zoom

Others Present:

John Temple – Temple Development Co., Adam Starr – PEBB Enterprises, Marc Grace, KMC – Israel Gomez, KMC, Laura Giardi - PEBB Enterprises, Jason Sher – Banyan Development, Ross Feurring – Banyan Development.

I. Call to order & roll call

Meeting called to order by Chair Ambrose at 9:02 AM.

President Duffell called the roll: 6 members present, 1 member absent. Mr. Duffell informed the Chair that a quorum was present.

II. Election of officers

Chair Ambrose opened the floor to nominations for the officers of the Authority. Mr. Price nominated Dr. Volnick for Chair. Ms. Ambrose seconded. Mr. Price nominated Mr. Siddiqui for Vice Chair, Dr. Volnick seconded. With no further nominations, Ms. Ambrose closed the nominations and called for a motion.

A motion to approve Dr. Volnick as Chair and Mr. Siddiqui as Vice Chair of the Authority, respectively, was made by Ms. Ambrose and seconded by Mr. Korshoff. The motion passed 6-1, with 1 member absent.

Ms. Ambrose passed the gavel to newly elected Chair Volnick to preside.

III. Agenda approval

Chair Volnick reminded the members that Mr. Duffell had sent a request to add a new item to the agenda, considering an amendment to the agreement with Keefe McCulough, stating that if agreed it would become Item VII. d.

Mr. Korshoff moved approval of the amended agenda was made by Mr. Korshoff and seconded by Mr. Siddiqui. The motion passed 6-1, with 1 member absent.

IV. Review & approval of minutes

- a. Regular meeting December 13, 2023

A motion to approve the December 13, 2023 minutes was made by Ms. Ambrose and seconded by Mr. Price. The motion passed 6-1, with 1 member absent.

V. Review & approval of financial statements

- a. November 2023
- b. December 2023

Mr. Duffell reported that throughout the first quarter of the fiscal year, there is a downward trend in Global Ventures' rent receipts. This is partly due to several big graduations.

Aggravating this trend is the fact that small, second stage companies often think and act

like startups, and have been slow to return to the in-office work post-pandemic. Larger expense for accounting in December paying out an audit fee. In the salary line item, we see a larger expense as a result of budgeted pay increases and bonuses. Finally, on the balance sheet, we see a large outstanding receivable, attributable to the grant from the City of Boca Raton. If the Authority approves the new agreement the next step would be review by the City and flow of funds.

A motion to approve the November 2023 and December 2023 financial statements was made by Ms. Ambrose and seconded by Mr. Price. The motion passed 6-1, with 1 member absent.

VI. Old Business

None.

VII. New Business

a. Agreement with the City of Boca Raton

Mr. Duffell reviewed proposed Agreement with the City of Boca Raton. The agreement largely mirrors the recently expired agreement, with some key differences. This is a one-year agreement instead of a 3-year agreement. Staff are hopeful that we can achieve some progress this year as we work closer with Tech Runway and proceed to a multi-year agreement in the future. Global Ventures and the Research Park would commit to facilitating the creation of 15 net new jobs and 15 net new internships during the year, while also promoting Global Ventures and the Park as an ideal location for tech-based businesses to establish themselves and grow to key markets.

RESOLUTION OF THE FLORIDA ATLANTIC RESEARCH AND DEVELOPMENT AUTHORITY APPROVING AGREEMENT BETWEEN CITY OF BOCA RATON AND FLORIDA ATLANTIC RESEARCH AND DEVELOPMENT AUTHORITY; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

Mr. Korshoff moved approval of the Resolution approving agreement between City of Boca Raton and Florida Atlantic Research and Development Authority. Mr. Siddiqui seconded. The motion passed 6-1, with 1 member absent.

b. Presentation of the 2023 Audited Financial Statements.

Chair Volnick stated that the 2023 Audited Financial Statements have been prepared by independent auditor, Keefe McCullough. She reported that the Authority has received a clean audit opinion with no management comments. The audit confirms a 15% increase in

current assets from \$1.2 million in 2022 to \$1.4 million in 2023. It also confirms 33% decrease in liabilities from \$763,000 in 2022 to \$505,786 in 2023. Lastly, the Authority saw a 27% improvement in net position from \$1.4 million in 2022 to \$1.8 million in 2023.

Auditor Mr. Grace from Keefe McCullough reported all financials were in compliance with GASB standards. He stated that the audit team was on-site to perform the audit and had open access and cooperation with the Authority's staff. Mr. Grace stated that Mr. Duffell and his team were a pleasure to work with.

Mr. Price moved to accept and file the 2023 Audited Financial Statements. Ms. Ambrose seconded. The motion passed unanimously. (Dr. Salazar arrives 9:25)

c. Executive professional development and compensation discussion.

Following the consensus at the October and December 2023 meetings, Authority members discussed maintaining a high level of ongoing professional development for Mr. Duffell, with benefits of lessons learned accruing to Research Park at FAU's mission as well as Mr. Duffell. Professional development could also position him for appointment to for-profit, paid board seats; benefits also accruing to both the Authority's mission and additional compensation opportunities for Mr. Duffell that would not burden the Authority's budget. An additional method of compensating his performance would be to amend the Authority's participation agreement with the Florida Municipal Insurance Trust, allowing for additional contributions to Mr. Duffell's retirement. In order for such changes to be implemented, Mr. Duffell's current employment agreement would need to be modified.

Members Volnick, Siddiqui, Korshoff and Gunther volunteered to form a Compensation Committee to continue this discussion with Mr. Duffell and bring back proposed changes to the agreement and recommendations to a future meeting. Mr. Duffell will arrange schedules with the new committee members and ensure proper public notice.

d. NEW AGENDA ITEM: Amendment to Agreement for Audit Services with Keefe McCullough

This add-on agenda item resulted from the additional time and resources required by the audit firm to assist with the requirements of new GASB standards. The additional fee negotiated with the firm is found reasonable in the opinion of Mr. Duffell and Ms. Ambrose who, as chair reviewed the request. The current agreement covers the 2023 audit, and then one more year before its expiration.

RESOLUTION OF THE FLORIDA ATLANTIC RESEARCH AND DEVELOPMENT AUTHORITY APPROVING FIRST AMENDMENT TO AGREEMENT BETWEEN KEEFE MCCULLOUGH & CO., LLP AND FLORIDA ATLANTIC RESEARCH AND DEVELOPMENT AUTHORITY; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE

Mr. Siddiqui moved approval of the Resolution approving first amendment to agreement between Keefe McCullough & Co., LLP and Florida Atlantic Research and Development Authority. Mr. Korshoff seconded. The motion

passed 7-0, with 0 members absent.

VIII. Reports

a. Chair

None.

b. General Counsel

Mr. Pincus reported working on the audit agreement with Mr. Duffell, as well as other ongoing matters.

c. Florida Atlantic University

Dr. Volnick reported that Florida Atlantic has achieved the standards required to be classified as an R1 Very High Research Activity institution when the updated Carnegie Classification is released in 2025. Freshman applications to Florida Atlantic have increased approximately forty (40%) percent year over year, in part due to the spectacular success of the Men's Basketball team in 2023. The upcoming President's Gala in April will raise money for scholarships. The University is moving forward with a national search for a College of Medicine dean. Dr. Volnick thanked the Authority for the opportunity to be Chair of the Authority, and congratulated Ms. Ambrose for her stewardship of the Authority.

d. President

Mr. Duffell reported that work continues with Ferrovia to prepare for their project kickoff, including coordination with the City of Boca Raton.

Recently, the approved Internship Grant Program was launched to encourage the hiring of FAU students within the Research Park, and President Volnick committed University funds to supplement the funds.

Thema Brain Health celebrated its grand opening with a ribbon cutting in partnership with the Chamber and College of Medicine.

Instrumentum has enjoyed engagement from the community and its target market following its grand opening in October.

Along with Baptist Health, the Research Park will launch a healthcare challenge with StartUp Nation Central in Israel, hopefully in the second quarter.

The Park will host another food truck event on February 21 and Global Ventures will host its annual Open House in March in an effort to both activate employees in the Park and to remind the community about our work.

Currently, staff is recruiting for the open Communications Specialist position which was approved in the 2023-2024 budget. Over 150 applications have been received from across the country, including, thankfully, several Florida Atlantic graduates.

e. Asset Owner Marketing & Leasing Report

PEBB broker, Adam Starr reported that activity in the Park is good. Negotiations with prospect companies are ongoing. Stating that the challenge is finding companies large enough to fill the space available in the Park. Aventusoft, a graduate of Global Ventures, will move into the park next week, absorbing what could be one of the last smaller spaces available. He reported that overall rental rates have held up in the Boca Raton market, and vacancies overall are still a little higher than normal.

f. Members

Mr. Siddiqui thanked members for electing him to serve alongside Chair Volnick and congratulated the University for its tremendous work and growth.

IX. Matters by the public.


None.

X. Adjourn

Mr. Korshoff moved to adjourn the January meeting of the Florida Atlantic Research and Development Authority at 9:48 AM; seconded by Dr. Salazar. The motion passed 7-0, with 0 members absent.

Respectfully presented to the Authority for review on April 17th, 2024.

Reviewed and approved by the Authority by 5-0 vote on April 24th, 2024.

Signed: 

Andrew Duffell, Secretary

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