



**Item: VII.**

**Wednesday, July 30, 2008**

**SUBJECT:** Amending the Effective Date of the Certification of Harbor Branch Oceanographic Institution Foundation, Inc. as a Direct-Support Organization of Florida Atlantic University from May 28, 2008 to July 1, 2008

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**PROPOSED BOARD ACTION**

Adopt an amended Board of Trustees resolution modifying the direct-support organization certification date for the Harbor Branch Oceanographic Institution Foundation, Inc. ("HBOIF") from May 28, 2008 to July 1, 2008.

**BACKGROUND INFORMATION**

On May 28, 2008, this Board adopted a resolution certifying HBOIF as a direct-support organization ("DSO") of FAU, pursuant to Section 1004.28, Florida Statutes. As a certified DSO, the University is required to include HBOIF as a component unit of the University for financial reporting purposes. Since the May 28, 2008 certification occurred during the 2007-08 fiscal year, the University is required to include HBOIF's audited financial statements in the University's financial statements for the period ending June 30, 2008. Because the former HBOIF entity—Harbor Branch Oceanographic Institution, Inc. ("HBOI")—was operating on a calendar year accounting basis (January 1-December 31), rather than on our July 1-June 30 fiscal year, the latest audited financial statements for HBOI are for the period ending December 31, 2007, before HBOI reorganized to become HBOIF and before HBOIF was certified as an FAU DSO. Therefore, there are no audited financial statements reflecting HBOI as an FAU DSO. Because there are no audited financial statements reflecting HBOI as an FAU DSO, the University is unable to complete its financial statements for the 2007-08 fiscal year without the expenditure of significant resources.

Amending the certification date thirty-four (34) days to July 1, 2008 ulted by TJC211Tf0Tc4.7130Td02311T51Tf0.00



## **Florida Atlantic University Board of Trustees Resolution**

**Wednesday, July 30, 2008**

**A RESOLUTION: (I) CERTIFYING THAT THE HARBOR BRANCH OCEANOGRAPHIC INSTITUTION FOUNDATION, INC. IS OPERATING IN A MANNER CONSISTENT WITH THE GOALS OF THE UNIVERSITY AND IN THE BEST INTEREST OF THE STATE AND (II) ESTABLISHING THE HARBOR BRANCH OCEANOGRAPHIC INSTITUTION FOUNDATION, INC. AS A UNIVERSITY DIRECT SUPPORT ORGANIZATION**

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**WHEREAS**, on December 31, 2007, the operating assets of Harbor Branch Oceanographic Institution, Inc. ("HBOI") were formally transferred to FAU; and

**WHEREAS**, the HBOI assets transferred to FAU are now operating as an FAU research institute known as the Harbor Branch Oceanographic Institute at FAU ("HBOI at FAU"); and

**WHEREAS**, the former HBOI corporate entity has now been formally reorganized and renamed as the Harbor Branch Oceanographic Institution Foundation, Inc. ("HBOIF"); and

**WHEREAS**, HBOIF is a Florida not-for-profit corporation organized and operated exclusively to receive, hold, invest and administer property and to make expenditures to or for the benefit of FAU and HBOI at FAU; and

**WHEREAS**, the FAU Board finds that, as of July 1, 2008, HBOIF is operating in a manner consistent with the goals of the university and in the best interest of the state; and

**WHEREAS**, the FAU Board finds it desirable that HBOIF be deemed a direct-support organization of FAU, as of July 1, 2008, pursuant to Section 1004.28, Florida Statutes.

**NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:**

1. The ~~FOLLOWING~~ <sup>FOLOWS</sup> goals of the university and in the best interest of the state.
2. The FAU Board of Trustees hereby resolves that HBOIF is a direct-support organization of the university, pursuant Section 1004.28, Florida Statutes, effective July 1, 2008.

3. This resolution shall supersede and replace the prior resolution dated May 28, 2008 regarding this certification.

**CERTIFICATE OF THE CORPORATE SECRETARY**

The Undersigned, Corporate Secretary of the Florida Atlantic University Board of Trustees, does hereby certify that the attached resolution is a true and accurate copy as adopted by the Florida Atlantic University Board of Trustees on July 30, 2008.

THE FLORIDA ATLANTIC UNIVERSITY  
BOARD OF TRUSTEES

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Corporate Secretary