## Trustee Attendance

**Present:** John Gol (Chair), Michael Barcal, Mike Binder, Chris Lazzara, Paul McElroy, Steve Moore, Nik Patel, Jason Barrett

**Absent:** Kevin Hyde (ex officio) and Jay Demetree

# Minutes

## Call to Order

VP Karen Stone confirmed trustee attendance via roll call. Chair Gol recognized a quorum and called the meeting to order.

## Public Comments

Chair Gol confirmed there were no requests for public comments.

## Consent Agenda

-Draft February 22, 2024, Finance and Facilities Committee Meeting Minutes

-Draft April 11, 2024, Finance and Facilities Committee Meeting Minutes

Chair Gol asked for a MOTION to approve the Draft February 22, 2024, and April 11, 2024, Finance and Facilities meeting minutes. Trustee McElroy made a MOTION to APPROVE, Trustee Patel SECONDED the motion and the committee unanimously approved.

## Administration and Finance Update by Vice President Bennett

Vice President Bennett shared an overview of the proposed FY25 Annual Budget. He stated UNF received $5M in new recurring funds for operational support, $14M in non-recurring funds, and an additional $3.7M in non-recurring funds for faculty recruitment and retention for FY25. PECO funding is currently around $40M for the new Student Services building which is pending confirmation by the Governor. Non-recurring performance funding is estimated at a conservative $15M. The carry-forward budget is projected at approximately $19M, less the BOG requirement of $17M in reserves. The final carry-forward amount will go to the Board for approval in September. It was noted the presentation does not include Foundation, Grants, PECO, or DSO funds.

An outline of the budget process was provided for the committee. It begins in January once the University budget calendar is set, and each division establishes their own procedure for budget review and submission of requests. Departmental requests for recurring and non-recurring budgets are submitted in priority order to their division where it is decided what items will move forward to the Budget Office. The Budget Office then compiles final submissions for review with the Vice President of Administration & Finance, Provost, the President, and others. The focus of all budget requests this year was based on the strategic plan four pillars which serves as the basis for the budget. Strategic priorities include student success, research, community partnerships, and faculty and staff success.

Vice President Bennett reviewed the FY25 operational budget which begins with the FY24 budget of $245,799,241. This amount is backed out by the Legislature and the Board of Governors, then new amounts including the $5M in recurring, $14M in non-recurring and $3.7M for recruitment and retention brought the new total budget to $258,775,309 for this year. $33.5M of that total is non-recurring.

Trustee Patel inquired about the difference in funding for recruitment and retention where $10M was received last year versus $3.7M this year. Vice President Bennett responded that last year’s funding only went to non-preeminent universities. There is a $100M budget distributed by the Legislature for the recruitment and retention of faculty each year. Florida, Florida State and South Florida did not receive any of those funds last year, however all 12 SUS institutions received an allocation this year resulting in lower amounts for those that received funds last year.

Vice President Bennett said 70 – 75% of UNF’s overall budget is salaries and benefits with an additional 4-5% for plant operations and utilities, leaving an approximate 20% discretionary basis for allocation. While UNF does not zero-base budget, the divisions go through a process to pull back funds that can be reallocated prior to going through the budget cycle. This resulted in an added $1M for reallocation of recurring funds on top of the $5M received, for a total of $6M. A detailed presentation and materials will be available at the full Board meeting on Thursday, June 13, 2024.

## Proposed Amended Policy: 7.0010P – Naming of University Elements

Associate Vice President and Chief Compliance Officer Robyn Blank presented the Naming of University Elements policy and stated while policies are normally not brought to the Board for approval, this one provides a delegation of authority to the president to carry out naming, other than those of university facilities, which is defined in the policy. A definition section was added, and language tightened around the consideration of donor characteristics to ensure alignment with UNF’s values and mission. This serves as a companion to the revision on presidential authority presented at the Governance Committee which also addresses the president’s ability to name certain items outside of BOT approval. UDAE and the University’s Naming Committee have reviewed the revisions.

Chair Gol requested a motion to approve the proposed amendment to Policy 7.0010P. Trustee McElroy made a MOTION to APPROVE, Trustee Binder SECONDED the motion and the committee unanimously approved.

## Proposed Amended Regulation: 6.0250R Illicit Stormwater Discharge

Associate Vice President Blank presented the amended regulation on Illicit Stormwater Discharge stating UNF must abide by the Federal Environmental Protection Agency and the Florida Department of Environmental Agency rules and regulations while managing stormwater discharge. The amendment defines what an illicit discharge is and changed the definition where the state recognized exclusions or activities covered by a specific discharge permit were removed. UNF’s Environmental Health & Safety recommended the revision following a routine audit by the Florida Department of Environmental Protection (DEP).

Trustee McElroy asked if operations are changing or if the amendment is a result of changes or expected changes in operations. Associate Vice President Blank responded this change adheres to current practices, but the amendment makes it clear in the regulation to be consistent with our practices and what is allowed under DEP rules.

This amendment was vetted through CEROC, the executive cabinet, and the 30-day posting requirement was met with no comments.

Hearing no further questions, Chair Gol requested a motion to approve the proposed amendment to Regulation 6.025R. Trustee McElroy made a MOTION to APPROVE, Trustee Moore SECONDED the motion and the committee unanimously approved.

## Proposed Amended Regulation: 13.0050R Prompt Pay

Associate Vice President Blank presented the amendment which includes minor revisions for prompt payment services received by the university. During a review of current practices, vendor FEINs are required on all invoices and PO’s and for some small businesses a FEIN is a social security number. Although it is not a BOG and Statutory requirement the information is retained by UNF and is provided by every vendor but will no longer be a requirement to list on invoices and PO’s.

The statement of vendor rights was also removed; however, it will continue to be part of the vendor Ombudsman language and in the purchasing agreements standard terms and conditions.

The amendment was vetted through CEROC, the executive cabinet, and met the 30-day posting requirement with no comments received.

Chair Gol requested a motion to approve the proposed amendment to Regulation 13.0050R. Trustee McElroy made a MOTION to APPROVE, Trustee Patel SECONDED the motion and the committee unanimously approved.

## Proposed Amended Regulation: 11.0010R Schedule of Tuition and Fees

Vice President Bennett presented the Schedule of Tuition and Fees amendment. The change reflects a reduction in tuition for the online Doctor of Clinical Nutrition program based on fees that are not conducive to fully online programs. Fees removed include the technology and athletics fees resulting in an overall reduction in tuition for the program.

The fee for students taking any course three times or more are charged the full cost of attendance rate. The updated fee increased to $248.52 per credit hour this year, as governed by the state.

Chair Gol requested a motion to approve the amendments to Regulation 11.0010R. Trustee McElroy made a MOTION to APPROVE, Trustee Patel SECONDED the motion and the committee unanimously approved.

## Proposed Amended Regulation: 11.0020R Special Fees, Fines and Penalties

Vice President Bennett presented the updated amendment which will increase the transcript fee from $8.00 to $10.00. He stated UNF is the only one of twelve institutions not charging $10.00 and has held off increasing the fee, but it is no longer sustainable. Transcripts are outsourced to a third party and those fees have gone up. Revenue from the fee also funds two positions. The increase was vetted through the BOG and has their approval.

Chair Gol requested a motion to approve the amendment to Regulation 11.0020R. Trustee McElroy made a MOTION to APPROVE, Trustee Lazzara SECONDED the motion and the committee unanimously approved.

## Coggin College of Business Phase II Construction Change Order

Vice President Bennett said that change orders exceeding $1M requires committee approval and discussed the construction change order. Phase I of the Coggin College of Business (CCB) project began with renovations to Building 10 which rolls into Phase II of the new building for CCB. During initial renovations of Building 10, asbestos was discovered in drywall and tiles of the first floor. During the asbestos remediation water damage was found inside of the walls. Original plans were to complete the first floor then move to the second, however remediation was addressed for both floors.

Associate Vice President John Hale added that after addressing the asbestos and abatement which led to removing the damaged exterior walls and the additional costs associated with it, the completion of the first floor serves as the breakpoint for Phase I. Phase II will begin after a new guaranteed maximum price (GMP) from Stellar is accepted for the build out of the second floor and the connecting infill to join Building 10 to CCB. He stated there is a contingency built in the project budget but exhausting it now will draw funds from the second phase. Based on current estimates, the project is in good shape.

Following clarification questions, Chair Gol requested a motion to approve the change order as presented. Trustee Lazzara made a MOTION to APPROVE, Trustee Patel SECONDED the motion and the committee unanimously approved.

## Review of Direct Support Organizations FY25 Budgets

Vice President Bennett provided an overview of the Direct Support Organization (DSO) budgets. Each DSO has a respective Board, and the budgets were vetted through each one.

* TSI continues to perform well and expects another good year with an approximate $3.7M surplus in revenues over expenditures.
* The Financing Corporation holds the university’s debt for items such as housing and parking. There are no assets, and it serves as a flow through for debt.
* MOCA will end the year with an approximate $150K surplus of revenue over expenditures. They are budgeting for a flat year in FY25.
* Foundation is doing well, and investment returns have rebounded. The endowment recently reached over $150M which is the highest point ever at UNF. They are budgeting to end FY25 with a reserve just under $800K.

## Five-Year Capital Improvement Plan (CIP) for FY 2025- FY2030

Vice President Bennett shared the proposed Five-Year Capital Improvement Plan (CIP) which is brought forth annually. The CIP is a legislative funding request of construction projects submitted to the BOG in priority order, subject to BOT approval.

* Priority 1 - Student Support and Academic Building. UNF received approval of this item and it will remain on the list until approved or vetoed. If vetoed, it will remain first priority and if approval stands it will be removed from the list and each item after will move up.
* Priority 2 - ADT Building. The current lease ends in August 2025 and will not be renewed. $1.5M of this year’s budget is set aside to start the design process with architects and engineers. If PECO is awarded the renovation process can move forward.
* Priority 3 – Matthew Computer Science Building Remodel
* Priority 4 – Hicks Honors College Housing (academic component)
* Priority 5 – GTM-NERR Research Facility
* Priority 6 – Sports Performance Phase II (academic component)

Chair Gol requested a motion for approval. Trustee McElroy made a MOTION to APPROVE, Trustee Moore SECONDED the motion and the committee unanimously approved.

## Financial Reports

* **Budget Report**
	+ Auxiliaries reflected in the report are performing well.
	+ Areas with negative projections spent out of their fund balances to complete maintenance and projects within their facilities.
	+ E&G budgets as of the end of April are projecting 98.5% of budgeted revenue. The shortfall is a result of not collecting all tuition and fees, but it was a known number and is holding true.
	+ Expenses in most areas are in the 80% to 90% range. Plant Operations is projecting 88% for year-end because of their efforts in saving money on utilities.
	+ Year-end overall projection is approximately 95% which will leave a balance just over $13M to roll into the carry-forward balance.
* **Capital Projects and Change Orders Report**
	+ Projects are totaling just over $200M which now includes the Honors dorm and CCB renovations.
	+ Several projects are complete and will be removed from the list.
	+ Board members were encouraged to ride by the dorms and look at the CCB renovation to see the progress being made while on campus for the full Board meeting on Thursday.
* **Treasurer's Report**
	+ As of April 30th, there was a net cash balance of almost $170M and investments of $170M.
	+ Investment total returns are ahead of benchmarks, although they can be modest due to the allowable areas for investing that aren’t as flexible as Foundation investments.
	+ Debit is at $182M and increased due to the added Housing bonds.

## Review of Finance and Facilities Charter

Associate Vice President Blank presented the final Finance & Facilities Charter. Following extensive discussions about Sunshine Law adherence, references to the law were removed from all committee charters since it is covered in the Board Bylaws. Two items were added in the Committee Responsibilities section: assessment of the Committee’s duties and reporting to the Board, and evaluating the Committee’s performance, individually and collectively.

Chair Gol requested a motion for approval. Trustee McElroy made a MOTION to APPROVE, Trustee Patel SECONDED the motion and the committee unanimously approved.

## Adjournment Chair Gol adjourned the meeting at 1:20 pm.