



**Florida Agricultural and Mechanical University
Board of Trustees**

Budget, Finance and Facilities Committee

Trustee Kimberly Moore, Committee Chair
Wednesday, June 3, 2020
Zoom Videoconference

MINUTES

Committee Members Present: Kimberly Moore, Thomas Dortch, Kelvin Lawson, Belvin Perry, and Craig Reed

Call to Order/Roll Call

Chair Moore called the meeting to order. Dr. Turner called the roll. A quorum was present.

ACTION ITEMS

Approval of Minutes – March 4, 2020.

There were no revisions to the minutes.

The motion to approve this agenda item was carried.

FY2019-2020 Operating Budget Amendment: Additional Budget Authority for Student Health Insurance Payment

VP Robertson indicated that the university has experienced a surge in the number of students that have signed up for the healthcare plan. Students insured went from 1,619 last year to 3,806 in the current fiscal year. As a result, the university has to pay an additional \$1,175,765 over what was initially budgeted for health insurance. This is no cost to the university; it is simply a pass through of student fees.

The motion to approve this action item was carried.

Preliminary University Budget 2020-2021

VP Robertson stated that state regulations requires the university to submit a preliminary operating budget to the Board of Governors by June 22, 2020. This allows the university to access our funding and to continue and start operations effective July 1. The preliminary 2020-21 E&G budget is located in the committee materials packet. The preliminary budget is pre-veto and does not reflect the university's performance-based funding. The auxiliary revenue was reduced due to the cancellation of various summer camps and on-campus summer school



activities. The student activities budget remained the same. Technology fee shows the shift of \$1.50 between athletics and IT fee. Finally, auxiliaries show a deficit of a little over \$5 million due to housing reducing occupancy to accomplish social distancing. The Housing deficit will be erased once the deferment for the annual debt service is received from the HBCU Capital Financing program.

The motion to approve this action item was carried.

Amendment to Regulation 3.017, Schedule of Tuition and Fees

In the last board meeting approved was a re-allocation of our technology fee for \$3 to be moved to Athletics. However, state legislation requires that certain fees can only be reallocated a certain way and cannot exceed 5%. Therefore, the university needs to administer this over a two-year period to be in compliance of that regulation. The proposal is to reallocate \$1.50 now and \$1.50 next year.

The motion to approve this action item was carried.

2021-2022 Fixed Capital Outlay Budget Request 2020-2025 Educational Plant Survey

VP Robertson presented the Fixed Capital Outlay Budget Request in conjunction with the 2020-2025 Educational Plant Survey (next agenda item). VP Robertson state that the university was very fortunate to have support of the Education Plant Survey group that approved ten (10) projects in capital improvement funding totaling approximately \$176,000,000. The list of projects are shown in the committee materials and includes a campus-wide utility infrastructure project, chemical and biological research laboratory center, Dyson Pharmacy Building demolition, the School of Business and Industry South renovation, Benjamin Banneker Complex demolition, Howard Hall improvement, Perry Paige, along with other proposed projects.

Once the 5-year Capital Improvement Plan is approved by the full board of trustees it will be forwarded for approval by the Board of Governors.

The motion and vote to approve the two action items were conducted separately. Both motions were carried.

INFORMATION ITEMS

Vice President for Finance and Administration's Report

a. Financial Status Report

VP Robertson referred committee members to page 147 of the meeting packet that provides a comparison of Quarter 3 in FY19-20 and FY 18-19. He stated that spending is about 1% lower as compared to the same time period last year when



looking at the third quarter which ended March 31. We are approximately at 82% vs. 83% last year in expenditures. Most categories are down. The only category that was up was spending in housing due to completion of renovations and repairs.

Questions/Comments re: Financial Status Report

- Trustee Lawson requested future reporting of the allocation of the CARES ACT.
Response: VP Robertson provided a brief verbal update. Of the initial \$13 million received from the CARES Act, \$6.5 million dollars were allocated to students (\$5.5 million and disbursed in two weeks; the last \$1 million is for students to apply for funding to assist with hardships related to the coronavirus). The application for those hardship funding needs are being managed by Dr. William Hudson, Jr. and his team (Student Affairs). The second wave of CARES Act funding, \$6.5 million, is the institutional allocation. Specifically, that amount will reimburse the university for refunds to students. Approximately \$4 million is being used to refund meals and dining and the balance is being used to reimburse the University for direct expenditures related to the coronavirus, i.e. sanitation, equipment, and PPE items. There will need to be future reporting on the allocation of the \$26.3 million of HBCU funds received from the Cares Act, and the university is still prioritizing and working through the appropriate allocation of the dollars. The major categories will include remote instruction, student financial support and operations.

b. Project Updates – University Construction/Operations

VP Robertson stated that the university has five (5) major capital projects:

Center for Access and Student Success (CASS)

VP Robertson reported that the project is going extremely well and is conservatively at 60% completion. There are no major risks at this point. The completion date has been delayed a month due to precautions taken by the contractor related to social distancing. The delay will have little impact on our operations as Student Affairs move-in date was slated for move-in September 28, 2020 through Thanksgiving. The grand opening is still planned for homecoming.

700-Bed Residence Hall

VP Robertson stated the completion on the building is approximately 82%. It is on time and on budget.

Central Energy Plant (CEP)

VP Robertson stated the Central Energy Plant is complete with the exception of the fence and landscaping. It is operational and cooling the residence hall and will service the dining hall upon its completion.



Student Service Center Dining Hub

VP Robertson stated that the Student Dining Hub is finally out of the ground. The pad has been poured. We experienced major rain delays in January and February that prevented the heavy equipment from being able to be placed on the site. The project is still on budget, but delayed by a month.

Student Amphitheater

VP Robertson commented that the amphitheater is complete with the exception of the canopies, which should be completed by the end of September 2020. The largest canopy is currently being installed this month.

Questions/Comments re: Construction Updates

- Trustee Lawson stated the report was good and that he is glad to see the major projects are close to on-time given the circumstances with everything going on in the world. Trustee Reed agreed on the timeliness of the projects and commended Dr. Robertson and his team on the flexibility and diligence taken in the current environment. Trustee Woody expressed amazement that the projects were still on-budget and on-time. Trustee Washington expressed the same sentiments of the other trustees by commending the team.

Response: VP Robertson thanked his facilities team, Chris Hessel and Craig Talton and all their staff who manage the projects on a daily basis.

Duke Energy / Brooksville Update

Dr. Fred Gainous stated that Duke Energy is still in the due diligence process with the establishment of the solar farm. The contractual items are on time. We have received the payments that were promised to the university. Duke Energy has one more year left on their due diligence. We received an email that stated that within two months a definitive decision on the start date on the solar farm construction will be provided by Duke Energy. Everything provided in the previous documents submitted to the Board related to the Duke Energy project will still be honored such as the student scholarships, internships, and corporate partnership.

Housing Facilities Update

Dr. Jennifer Wilder stated that Gibbs Hall, 3rd floor north project is on schedule. The masonry repair is completed on the building's exterior. The elevator cab has been refurbished. The door replacement is scheduled for June 11 -19, 2020.

Questions/Comments re: Housing Facilities

- Trustee Moore stated that she is glad that housing can be included in the number of things that students are excited about at FAMU! She attributes that to the work of Dr. Wilder and her team.

The meeting was adjourned.