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

Call to Order/Roll Call
Trustee Moore called the meeting to order. Dr. Turner called the roll. A quorum was present.

ACTION ITEMS

Approval of Minutes – August 14, 2020.
There were no revisions to the minutes.

The motion to approve this agenda item was carried.

Carry-forward Budget
VP Robertson stated that the carry-forward budget was amended in 2019 by Senate Bill 190, which sets standards for the E&G carryforward and that requires a minimum 7% reserve balance to be maintained. It also dictates the state reporting requirements and defines the annual allowable uses. The university’s spending plan is submitted to the Board of Trustees in September and subsequently to the Board of Governors for their approval. This year, the total overall remaining budget to be allocated is $4.3 million. From the university president and CFO, it is recommended to the board that the $4.3 million be used as an additional reserve to provide for contingencies associated with the coronavirus and its impact on revenue.

Questions/Comments re: Carry-forward Budget
• Trustee Harper requested clarification on the calculation of the 7% reserve requirement.
  Response: VP Robertson and Budget Director Murry explained that the 7% calculation is based on the total overall state appropriation provided to the university.

The motion to approve this action item was carried.
Vice President for Finance and Administration’s Report


VP Robertson stated that encumbrances and expenditures were run through June 25, 2020 and approximately 87% of the budget has been spent. We did not go over in any categories. In fact, E&G spending was down with only 93% spent. This was due to the strategic hiring process that was implemented in the fourth quarter in anticipation of the impacts of the coronavirus. Reductions in expenditures were across the board, primarily in auxiliaries, athletics and concessions. The Cares Act monies helped to offset some revenue losses in Housing and Dining Services. The university is still closing the books through September 15, so the number will increase as we continue to accrue expenses for FY 2020, however we should not exceed the budget.

b. COVID-19 Expenditures Report to Date

In this meeting, the expenditures from the initial disbursement of $13.1 million will be reported. The second disbursement that will apply to FY 2020 will be reported at the next board meeting. The U.S. Department of Education required that 50% of the funds be disbursed to the students as quickly as possible. Within two weeks, funds were disbursed to students. $1 million was held back for students and families that had severe situations due to the Coronavirus. There remains $316,000 of the original $1.0M that will all be disbursed for the fall semester.

For the institutional portion, $6.5 million was provided and $4.2 million of it was used to reimburse the university meal plan and housing for lost revenue. The balance was spent or encumbered for PPE, sterilization and HVAC equipment to prepare the campus for reopening and to make it a safer environment.

The second Cares Act allocation has been allocated primarily to Academic Affairs for remote education, specifically effective learning strategies via remote learning and technology upgrades. Approximately, $6 million is set aside for reserves to balance the budget in light of closing out early for the fall semester and also the possibility of going remote for the spring semester. A full report will be provided at the December meeting.

Questions/Comments re: COVID-19 Expenditures Report to Date

- Trustee Lawson commented that it was good to know how the monies are being spent and comforting to know that we have these things taken into consideration in the budgeting process and the CARES Act dollars are going toward appropriate uses. He appreciated the transparency.
- President Robinson announced that the university applied for a deferment with the HBCU capital financing program for repayment of the outstanding housing debt. VP Robertson received notice the day before this meeting that the
deferment request was approved. VP Robertson added that, additionally, the university will be refunded approximately $1.8 million in payments that were already made since April. In addition, subject to Federal Appropriations, the deferment could extend another 12 months. The deferment could be worth $8 million, including the return of the $1.8 million, and would allow the university to go to one student per room in housing and still maintain a balanced budget.

- Trustee Moore congratulated Dr. Robinson, VP Robertson and team for their hard work and for making sure the application was submitted with a favorable response.

c. **Report on Inclusion of Minority and Women Owned Business**

VP Robertson indicated there is much focus on diversity and inclusion in the vendor base across the SUS. The Office of Procurement has maintained an 8.3% rate spend rate with MWBE organizations, despite not having any pressures or mandates from the board or senior management. We will be working on a vendor program and work with the SBDC to identify additional vendors. Additionally, we will host workshops to assist potential vendors in getting certified and to teach them how to complete the bidding process for the state and to identify what products and services are available for bid. In construction, Facilities has maintained a 50% investment from our continuing contracts to minority and women owned businesses. The Board of Governors wants reporting and tracking in this area. This is also something that needs to be improved and we are working on a plan.

**Questions/Comments re: Report of Inclusion of Minority and Women Owned Business**

- Trustee Dortch stated that the numbers are a good start, but not great. He encouraged the committee to keep working on this issue including talking to prime contractors to ask them to help us increase in minority sub-contracting. This has to be an important issue for our HBCU.

  *Response:* VP Robertson indicated that the university has a diversity plan for our vendors that will be reviewed and revised with the Office of Procurement for the board’s approval. President Robinson agreed that if anyone was to be the example of diversity and inclusion, it should be FAMU.

d. **Project Updates – University Construction/Operations**

Trustee Moore waived going through all project updates since they are shared in the monthly Construction Oversight Meetings; however, President Robinson stated that the deal was signed for the 700-bed residence hall in February 2019. The new facility opened in August 2020 and we now have a first-class facility with all of the amenities of a beautiful, highly functional place with the rooms to study and conduct instruction.
Duke Energy/Brooksville Update
Trustee Moore shared that we are still awaiting the due diligence process to continue with Duke Energy. Deliberations are still ongoing and we do not anticipate any backwards movement.

Housing Facilities Update
Dr. Wilder reported that Housing and Plant Operation Maintenance have been working diligently throughout the spring and summer semesters to address and complete issues that were bought to their attention prior to and during the COVID-19 crisis. She also encouraged students, faculty and staff to report all residence hall maintenance issues so that they are properly documented and addressed in a timely manner. Due to a larger than anticipated cancellation and no-show rate for Fall 2020, university housing is in the process of reassigning Paddyfoote and Truth residents into vacancies in other facilities, i.e., FAMU Towers. Housing is providing moving assistance to complete all moves by 5pm on Friday, September 4, 2020.

Questions/Comments re: Housing Facilities Update
• Trustee Moore and Trustee Cavazos thanked housing on their diligence and hard work in incorporating corrective measures and improving housing concerns.
• Trustee Reid requested an update on Gibbs Hall.
  Response: Dr. Wilder indicated that they were currently rehabbing the north side elevator, fixing structural issues in the bathroom, working on the fire suppression system and plumbing. She stated that it was their desire to resolve all issues while the building was unoccupied so that there would not be additional interruptions when the dorm reopened.
• Trustee Lawson commented that move-in for his daughter was very well done. He appreciated the professionalism from the staff and students that assisted in the process.
• Trustee Harper also commented on how smooth the move-in process was for her daughter. She understood that the staggered (over several days) move-in process was done as a COVID-19 precaution, but suggested that process be used for the future as it greatly improved the move-in experiences.

Other Discussion:

Prior to adjournment, President Robinson announced that a ribbon-cutting ceremony for the 700-Bed Residence Hall is planned for September 30, 2020. Due to COVID-19 protocol on social distancing, a small number of persons will be invited to attend the in-person event, however, others will be invited to join the virtual ceremony. Additional information is forthcoming.

The meeting was adjourned.