MINUTES

Committee Members Present: Kimberly Moore, Otis Cliatt, Thomas Dortch, Kelvin Lawson, Belvin Perry and Kenny Stone

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 – December 2, 2021.
There were no revisions to the minutes.

The motion to approve this action item was carried.

Student Accounts Receivable Write-Offs
Pursuant to Section 1010.03, F.S., Interim VP Brown requested board approval to fiscal year 2021-2022 Student Accounts Receivable Write-Offs in the amount of $1,887,695.61. A comparison of previous fiscal years’ write-off amounts was provided.

Questions/Comments re: Student Accounts Receivable Write-Offs

• Trustee Lawrence asked for an explanation of the process.
  Response: Interim VP Brown explained the process of acquiring and collecting student debt. Trustee Moore clarified that students are still pursued to fulfill their financial obligation, it is not wiped away. Good news is that there is less debt to pursue when compared with prior two years.

• Trustee Cavazos asked how successful is the debt collection process and is that paid back to the University. Also, Trustee Cavazos asked if the write-off applied to graduate students.
  Response: AVP Tonya Jackson (Controller) explained that the debt collection process begins with the internal staff pursuing the student to attempt to collect the debt. After the semester it is turned over to an external debt collection agency. They have been successful in recovering most of the debt from students. This write-off applies to all students with any type of accounts receivable.

• Trustee Cavazos asked if there is a breakdown showing what colleges, schools for the write-off or is it that total sum?
  Response: AVP Jackson indicated that the write-off amount is shown as a total sum of all the uncollectible accounts but certainly with some time and effort, staff can drill-down to provide more detail where needed.

• Trustee Lawson asked for specific explanations of three uncollectible accounts listed on the materials; they were: Student Refund Account Total, Other Conversion from Legacy Total, and University Commons Total.
  Response: AVP Jackson provide sufficient explanation on each of the three uncollectible accounts.

• Trustee Stone asked if the students with the uncollected debt were continuing their education, graduated or employed. Also, he asked what the average uncollected amount per student; were these amounts massive sums of money or smaller amounts. Trustee Stone reiterated that more work can be done in identifying a student profile as these and other details about the student will better assist in knowing what kind of extension or terms can be presented to them for debt to be paid.
  Response: AVP Jackson indicated that the students’ account balance is $25,000 or less and they are not a current student. She added that typically the balances per student are no more than $3500-$5000.

The motion to approve this action item was carried.
INFORMATION ITEMS

Vice President for Finance and Administration’s Report

a. Financial Status Report / Quarterly Budget Review
Interim VP Brown presented a budget comparison of Quarter 2 for FY 20-21 and FY 21-22. Explanation of categories where there were +/- 10% changes were provided. In the Auxiliaries category, the 13% decrease of budget expended due to retirement of the previous year’s debt service and a reduction in the expenditures of renovations and repairs. The FY 21-22 reduction in technology fees (60% decrease) is related to expenditures subsidized by federal stimulus funds. The increase in FY 21-22 student activities (20% increase) is attributed to the return of Homecoming activities. Overall, the percent of quarter 2 expenditures for both the current and previous fiscal years is the same at 75%.

b. Report on MWBE
Interim VP Brown reported on expenditures for Minority and Women-owned Business Enterprises for FY 2021-22. Overall, the university spend, outside of planning and construction, is $25.9 million with 12% of the services procured by MWBEs. Regarding construction, minority vendors accounted for 25% of minor projects and 10% of major projects on campus. An Action and Outreach Plan of strategies currently implemented and those that are planned was presented. The university continues to increase efforts in engagement and promotion of access and opportunity of all supplier groups. Mr. Keith Bowers, Regional Director of the FAMU Small Business Development Center (SBDC) presented outreach and engagement activities facilitated by SBDC for all certified / non-certifies suppliers.

Questions/Comments re: MWBE
- Trustee Dubose acknowledged the progress and asked if majority companies could partner and/or mentor MWBEs.
  Response: Mr. Bowers mentioned that there is an initiative with AJAX for a mentorship program where minority companies are paired with majority companies for perhaps provide joint venture opportunities and other ways MWBEs can learn from expertise. Office of Economic Vitality is also working with SBDC to continue developing initiatives for MWBEs.

c. Project Updates – University Construction / Operations
Bragg Memorial Stadium
Interim VP Brown presented the status of the Bragg Memorial Stadium since the last University Construction Oversight meeting. Demolition of the seating is in advance of the timeline. The stadium project will not cause a delay in the football season home game opening date. The project to date is on-time and within budget.

Questions/Comments re: University Construction / Operations
- Trustee Cliatt asked if there is a built-in hedge into the financials to deal with inflation.
  Response: Director Craig Talton provided more details regarding tasks occurring and indicated that we are ahead of the demolition. Within the next couple of months once critical items are done, we will then assess and will possibly relax the schedule. We will be ready before the first home game.
- Trustee Cavazos asked about the status of the restroom situation in terms of regulation compliance.
  Response: Director Craig Talton indicated that we are looking to modernize the restrooms in a future phase when more funding is identified. Trustee Moore further explained that the current dollars are being used to meet the codes, including ADA and life safety requirements.
- Trustee Dubose asked how we are thinking about rental of space at the stadium for possible year-round use.
  Response: Director Talton indicated that there are platforms being constructed on each side of the skybox. Once all essential items are taken care of, additional suites can be added at a later date.

d. Master Plan Update / Housing Study Update
Interim VP Brown presented information on FAMU locations comprising the main campus, satellite and leased spaces. Trustee more added that this information helps Trustees understand exactly where the various University locations are.
A chart from the FLBOG showing the **Deferred Maintenance** within the State University System was shared. FAMU’s request totaled $99 million for 95 projects. These 95 projects are for E&G facilities and was a part of a previously BOT-approved request.

Mr. Shawn Kalbi of Kimberly Horne provided information on a recent activity related to the **Campus Master Plan Update**. Interviews have been conducted and the survey for BOT members will be re-opened because only 6 responses were obtained. Mr. Kalbi shared the timeline for tasks and pending completion dates. In June, an update will be presented to the BOT.

**Questions/Comments re: Master Plan Update**

- Trustee Dubose stated that because work has changed on-site and remote is changed and will continue to evolve over the years; therefore, real estate investments will need to be reconsidered. Just wanted to know that these factors and situations from a master planning point of view. Needs to be considered when we think about capital investments and further expansion and how the work will be done going forward because the world has changed and continues changing rapidly.
  
  **Response:** VP Brown confirmed that these discussions are being had and will be embedded into the Master Plan process. President Robinson added that we do have a Strategic Planning process. We have to be prepared for what comes next. Expectations of students and our capacity to deliver have changed. We have to consider those factors when we talk about and prepare our infrastructure for the near future. It has to be integrated in the Strategic Plan first and then the Master Plan.

- Trustee Cliatt suggested some focus should be on improving and increasing online course offerings and reconfiguration of existing buildings to create more space, particularly administrative buildings.
  
  **Response:** Trustee Moore urged Trustees to complete the Master Plan survey to share their feedback and thoughts about where the University should go.

- Trustee Stone added to the conversation about strategic planning. He asked if there was a feedback mechanism for students in order to capture their viewpoints.
  
  **Response:** Trustee Moore reminded that the housing study update will provide more details on the student feedback mechanism and other pertinent information.

- Trustee Harper followed up on Trustee Stone’s point about the students’ voice to say that feedback is incorporated into the strategic plan and that on-going feedback from students will be implemented as well.

The presentation of the **Housing Study Update** was facilitated by Tara Rial of Novogradic and Company, LLP. A housing study survey was conducted with students throughout the campus. Ms. Rial shared the methodology for collecting data regarding student housing needs and researched other factors including new development in Tallahassee, recent developments at similar universities, and costs for student housing. Ms. Rial presented future and current housing recommendations based on the data analysis. VP Hudson added that the replacement cost for Gibbs Hall is 15% more than the renovation cost. A newer building will bring more value.

**Questions/Comments re: Housing Study Update**

- Trustee Dubose asked if student security and cleanliness in residence hall facilities (particularly restroom areas) items that were of concern by students. Lastly, he inquired about the national historic status of our buildings and how that is taken into consideration with discussion of demolishing buildings.
  
  **Response:** Ms. Tara Rial indicated that security concerns were addressed and recommended to include key fobs only for students that live in the buildings and placement of security cameras for future residence halls. Cleanliness of bathrooms were discussed a lot because students were less likely to want to share restrooms with a large number of students on the floor. During the data collection, facilities staff relayed that students should hold each other accountable to successfully co-exist. As for the historical buildings, that was important to students, faculty and staff. Anything new would be retro-fitted to match the current building architecture.

- Trustee Stone asked if the student demand and feedback were consistent with other universities. Also, for universities that retain their older students on campus longer, he asked were undergraduates and graduate students housed separately.
Response: Ms. Tara Rial stated that many universities held back on building during the pandemic. Tennessee State was the only university researched that is actively building a new facility. Having undergrad and graduate students being separate will be the university’s decision. Generally graduate students would want the apartment style units. VP Hudson concurred that graduate students prefer to live in separate residence halls.

Several Trustees shared concerns about the historic buildings being considered for demolition. A suggestion was to ensure the University works with a consulting firm and construction firm that specialize in renovating older buildings in an effort to preserve our historical buildings on campus.

Trustee Lawson asked VP Hudson about the timing for deciding about Gibbs Hall. Also, he mentioned that keeping the building names is a concern of alumni.

Response: VP Hudson reported that by the next board meeting a decision can be made on how to move forward with Gibbs Hall. The survey will look at the infra-structure to make sure there is no life and health safety issue, building codes and ADA compliance impacts decision to renovate or to build new construction. VP Friday-Stroud indicated the building name can be made a part of the construction process to avoid and after-the-fact action similar to Polkinghorne Village.

Trustee Whigham shared a pressing issue from students on campus was regarding the plan for laundry on campus.

Response: Director Wilder emphasized that laundry is not free and stated the question from students is for the costs for laundering clothes to be added to the cost of the room fees so that they do not have to pay for laundry every time they use the machines. Therefore, housing rates will need to be increased to add the cost of laundering.

[Note: Due to technical difficulties, Trustee Cliatt’s questions could not be heard and were relayed after the meeting via email. His questions will be addressed in a written follow-up report from staff.]

e. Compensation Study Update

Interim VP Brown reported that the insights meetings have been concluded. A proposal from the Segal Group has been received to assist with developing the total compensation philosophy. Contract should begin at the beginning of the new fiscal year with contingency dates built in for services due the consultants staffing issues due to COVID. The compensation study is projected to be completed by the end of fiscal year 2022-23. In the meantime, a short-term strategy on how to deal with compensation-related matters.

f. Division of Finance & Administration – Department Spotlight

Interim VP Brown spotlighted the department of Business and Auxiliary Services (BAS) headed by the Interim Assistant Vice President Michael Smith. Interim AVP Smith shared information regarding the services provided by BAS and presented a brief video on the newly renovated upstairs dining hall at the Student Service Center.

Stimulus Funding Expenditure Report to Date

Dr. Erick Akins presented an update of expenditures of funds allocated to the university under the Coronavirus Aid, Relief, and Economic Security Act (CARES), Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSAA), and American Rescue Plan (ARP). The total funds allocated to the university total $195,448,168 with 63.53% spent or obligated as of the date of the report (1/21/22).

Annual Budget Workshop

Trustee Moore informed that information will be sent in advance of the upcoming Budget Workshop. In response to Trustee Dubose’s question, Trustee Moore encouraged BOT members to forward topics regarding budget-related matters for consideration for the workshop agenda.

The meeting adjourned.