

# **Budget, Finance, and Facilities Committee Meeting**

Trustee Craig Reed, Committee Chair Wednesday, September 17, 2025 Location: FAMU Grand Ballroom

#### **MINUTES**

Committee Members Present: Jamal Brown, Zayla Bryant, Emery Gainey, Craig Reed, Nicole Washington, and Michael White

#### Call to Order/Roll Call

Trustee Reed called the meeting to order. Ms. Schloss called the roll. A quorum was present.

### **ACTION ITEMS**

**Approval of Minutes** – June 11, 2025 Committee Meeting There were no revisions to the minutes.

The motion to approve this action item was carried.

### Approval of the FY 2025-2026 University Carryforward Spending Plan and Fixed Capital Outlay Budget

Acting VP/CFO Nichole Murry requested board approval of the FY 2025-2026 University Carryforward Spending Plan and Fixed Capital Outlay Budget

The motion to approve this action item was carried.

### Approval of Amendment to Regulation 3.017 – Schedule of Tuition and Fees

Acting VP/CFO Murry requested board approval of the Amendment to Regulation 3.017 - Schedule of Tuition and Fees

# Questions/Comments re: Amendment to Regulation 3.017 – Schedule of Tuition and Fees

• Trustee Brown asked for clarification about the missed opportunity to increase fees for fall 2025. <u>Response:</u> Acting VP/CFO Nichole Murry replied that the fall of 2025 10% increase is no longer available to be approved by the Board of Governors.

# Questions/Comments re: Amendment to Regulation 3.017 - Schedule of Tuition and Fees

• Trustee White asked why we are out of compliance.

<u>Response:</u> VP Murry explained that when the Board of Governors approved the 10% and 15% increases, the timeframe to act was very limited. The University was required to notify students, obtain Board of Trustees approval, and return the notice to the Board of Governors within that window.

### Questions/Comments re: Amendment to Regulation 3.017 – Schedule of Tuition and Fees

Trustee White commented that he researched FAMU's tuition rates, which are still probably one of
the lowest public HBCU tuition rates across the country. FAMU remains among the lowest tuition
rates for public HBCUs nationwide, even with a proposed 15% increase. He also emphasized the
importance of compliance with BOG and not missing opportunities.

# Questions/Comments re: Amendment to Regulation 3.017 – Schedule of Tuition and Fees

• Trustee Bryant agreed with Trustee White about making sure the tuition increase is advertised correctly and appreciative of ensuring the Student Body has enough time to get their financials together.



### Questions/Comments re: Amendment to Regulation 3.017 - Schedule of Tuition and Fees

• Trustee Reed asked for clarity on the required notice.

<u>Response:</u> D'Andrea Cotton from Student Accounts stated that students are required to be notified via email, social media, and press release with 28 days' notice prior to the board meeting.

# Questions/Comments re: Amendment to Regulation 3.017 - Schedule of Tuition and Fees

• Trustee Washington noted that the current out-of-state tuition rate does not fully reflect the cost of instruction, which may place the University out of compliance with the law requiring out-of-state students to pay the full instructional cost. He emphasized that while he does not discount the personal impact this has on students and families, the broader issue for the State of Florida is a philosophical one—whether the state should subsidize the cost of education for out-of-state students.

# Questions/Comments re: Amendment to Regulation 3.017 - Schedule of Tuition and Fees

President Johnson added that they are not ignoring the impact this will have on students. It just means
we need to be diligent in our fundraising efforts to make sure we're sourcing meaningful scholarship
opportunities for the students, and we want to attract talented students to increase GPA and
graduation rates.

# Questions/Comments re: Amendment to Regulation 3.017 – Schedule of Tuition and Fees

Trustee Reed shared his perspective as a former out-of-state student. He emphasized that despite the
tuition differential, the value and return on investment of a FAMU education remain strong. He noted
that the absence of tuition increases for many years is significant and should be recognized in
communications to students and families.

# Questions/Comments re: Amendment to Regulation 3.017 - Schedule of Tuition and Fees

Trustee Bryant shared the same sentiments as Trustee Reed, both being out-of-state students. While
she may not personally experience the impact due to her expected graduation before Spring 2026, she
stressed the importance of listening to and supporting students who will be affected. She also
highlighted the financial challenges faced by students from major recruiting areas such as Atlanta and
noted that scholarships are essential for access and success, citing her own experience as a scholarship
recipient.

The motion to approve this action item was carried.

### **Approval of Asset Works Service Contract Amendment**

AVP Kendall Jones requested board approval of the Asset Works Service Contract Amendment.

# Questions/Comments re: Asset Works Service Contract Amendment

• Trustee White thanked the committee for reducing the amendment request from \$1 million to \$500,000 and emphasized the importance of budgeting as tightly as possible.

The motion to approve this action item was carried.



#### **INFORMATION ITEMS**

### **Quarterly Financial Report- Budget to Actuals**

Acting VP/CFO Nichole Murry provided an update on the budget to actuals as of September 8, noting that 93% of the budget had been expended. She explained that the FY 2024–2025 budget increases are primarily due to timely payment of University bills. Acting VP/CFO Murry also explained increases in financial aid are constrained by BOT Policy 2005-05, which prohibits the University from increasing the budget to match incoming revenues. As a result, when additional financial aid funds are received beyond what was initially approved, they are treated as "cash in, cash out"—funds received and immediately disbursed to students. She emphasized that the budget cannot be formally increased without returning to the Board for approval.

# Questions/Comments re: Quarterly Financial Report-Budget to Actuals

• Trustee Washington asked if the same case applied to athletics.

<u>Response:</u> Acting VP/CFO Nichole Murry confirmed that the athletics adjustment was specific to FY23-24 and has already been corrected in the general ledger before the FY24 financial statements.

# **Project Updates**

AVP Kendall Jones provided updates on several capital projects:

- Venom Landing (700-bed residence hall): The project has successfully reached substantial completion. Students have
  moved in, and this will be the final report on this project. Jones noted that despite early adversities, the project
  remained on schedule.
- **500/800-Bed Residence Halls:** The design team has completed construction documents. However, construction start dates remain undetermined pending identification of funding sources. The project is currently on hold.
- **Dining Hub Expansion:** Construction is complete. A portion of the furniture has been delivered; the remaining furniture is scheduled for delivery by the end of this week. The facility is operational.
- **Foote-Hilyer IT Relocation:** The relocation has been completed, and staff have moved into the new spaces. This will be the final report on this project.
- Howard Hall Renovation: Planned renovations will address existing facility issues and enhance learning, recruitment, and retention for the ROTC program.
- Chemical and Biological Research Center Renovation: The project will complete buildout of the top two floors of the Pharmacy Phase II building to create shared space for Chemistry, Biology, and Pharmacy. The architect is scheduled to submit 100% construction documents in November.
- Gallimore-Powell Phil House: Temporary roof repairs have been completed. Flooring installation for the coaches' suites is scheduled to begin and be completed by September 22, 2025. Upgrades to the visitors' locker room will proceed once funding is identified.

# **Deferred maintenance/Utility Infrastructure Projects.**

Florida A&M University was allocated \$26.9 million to address deferred maintenance and capital renewal issues, and \$27.7 million to improve campus-wide utility infrastructure. The HVAC air handler replacement project (a deferred maintenance project) is progressing on schedule. Purchase orders have been processed, and funds have been encumbered for all remaining deferred maintenance projects. The Chilled Water Upgrade is a utility infrastructure project that has started and is progressing well. The project completion date is scheduled for December 2025. The New



South Chiller Plant Phase I construction is underway. The chiller plant will support the cooling and heating needs for the expansion.

# Questions/Comments re: Project Updates

Trustee White commented that it's important to have the best value and the right vendors in place. He also wants to make sure that smaller businesses are involved.

President Johnson noted the need to review and update procurement processes to bring them up to standard in a way that optimizes opportunities for the University.

Chair Harper inquired about the recent shift in federal funding from Minority-Serving Institutions (MSIs) to Historically Black Colleges and Universities (HBCUs). She referenced the recent announcement of \$500 million in additional funding for HBCUs and indicated that FAMU could potentially receive at least \$10 million in additional Title III funds. She explained that Title III grants are institutional in nature, not client- or participant-specific, and are tied to FAMU's status as a historically Black institution. She emphasized the importance of taking full advantage of these one-time dollars for institutional improvements, similar to how the University leveraged HERF funding.

The meeting adjourned.