



The Foundation for The Gator Nation

The University of Florida Board of Trustees' Committee on Finance and Facilities and the full Board of Trustees, will have meetings/telephone conference call meetings at the below-listed campus location on July 24, 2015 in the following sequence, beginning at 4:00 p.m. EDT, with one meeting beginning immediately after the prior meeting ends, and continuing until all meetings have concluded:

**UNIVERSITY OF FLORIDA BOARD OF TRUSTEES
COMMITTEE ON FINANCE AND FACILITIES
AGENDA**

**Meeting/Telephone Conference Call Meeting
July 24, 2015**

Campus Location: 123 Tigert Hall, University of Florida, Gainesville, Florida

University of Florida Board of Trustees' Committee on Finance and Facilities Members:

Jason J. Rosenberg (Chair), David L. Brandon, Susan M. Cameron, James W. Heavener, Steven M. Scott, David M. Thomas, Anita G. Zucker

- 1.0 Verification of Quorum..... Jamie Lewis Keith, VP/General Counsel/University Secretary
- 2.0 Call to Order and WelcomeJason J. Rosenberg, Chair
- 3.0 Review and Approval of Minutes.....Jason J. Rosenberg, Chair
May 26, 2015
June 4, 2015
- 4.0 Action Items (Consent)Jason J. Rosenberg, Chair
 - FF1. Amended Fixed Capital Outlay Capital Improvement Plan and Legislative Budget Request for Fiscal Years 2016-17 through 2020-21
 - FF2. Amended Facilities Spending Plan for PECO/CITF/Other Appropriated Funds
 - FF3. Resolution R15-154-Amendment to R04-21, as amended by R10-69, as amended by R11-91, as amended by R12-103, as amended by R13-125, as amended by R14-137- Depository Payment Signatory Authority
- 5.0 Discussion/Informational Items.....Jason J. Rosenberg, Chair
- 6.0 New BusinessJason J. Rosenberg, Chair
- 7.0 Adjourn.....Jason J. Rosenberg, Chair

**UNIVERSITY OF FLORIDA BOARD OF TRUSTEES
BOARD AGENDA**

**Meeting/Telephone Conference Call Meeting
July 24, 2015**

**Beginning immediately after conclusion of the meeting of the Board's
Committee on Finance and Facilities (which begins at 4:00 p.m. EDT)
Campus Location: 123 Tigert Hall, University of Florida, Gainesville, Florida**

University of Florida Board of Trustees Members:

Steven M. Scott (Board Chair), David L. Brandon, Susan M. Cameron, Christopher T. Corr, Paul W. Davenport, Charles B. Edwards, James W. Heavener, Joselin Padron-Rasines, Rahul Patel, Jason J. Rosenberg, Robert G. Stern, David M. Thomas, Anita G. Zucker

- 1.0 Verification of Quorum Jamie Lewis Keith, VP/General Counsel/University Secretary
- 2.0 Call to Order and Welcome Steven M. Scott, Board Chair
- 3.0 Review and Approval of Minutes..... Steven M. Scott, Board Chair
None
- 4.0 Committee Report Steven M. Scott, Board Chair
Finance and Facilities Committee Jason J. Rosenberg, Chair
(Only if any Trustee did not attend the Committee meeting.)
- 5.0 Board Action Items (Consent)..... Steven M. Scott, Board Chair
 - FF1. Amended Fixed Capital Outlay Capital Improvement Plan and Legislative Budget Request for Fiscal Years 2016-17 through 2020-21
 - FF2. Amended Facilities Spending Plan for PECO/CITF/Other Appropriated Funds
 - FF3. Resolution R15-154-Amendment to R04-21, as amended by R10-69, as amended by R11-91, as amended by R12-103, as amended by R13-125, as amended by R14-137- Depository Payment Signatory Authority
- 6.0 Board Discussion/Informational Items Steven M. Scott, Board Chair
- 7.0 New Business Steven M. Scott, Board Chair
- 8.0 Adjourn Steven M. Scott, Board Chair



**UNIVERSITY OF FLORIDA BOARD OF TRUSTEES
COMMITTEE ON FINANCE AND FACILITIES
COMMITTEE ACTION ITEM FF1
July 24, 2015**

SUBJECT: Approval of Amended Fixed Capital Outlay Capital Improvement Plan and Legislative Budget Request for Fiscal Years 2016-17 through 2020-21

BACKGROUND INFORMATION

During the June 2015 Board of Trustee meeting, the Board approved the annual submission of the Fixed Capital Outlay Capital Improvement Plan and Legislative Budget Request for Fiscal Years 2016-17 through 2020-21. The final appropriations bill that resulted from the special legislative session in June 2015 and the Governor’s actions necessitate changes to the Fiscal Year 2016-2017 through Fiscal Year 2020-21, five year Capital Improvement Plan (“PECO List”). These changes most notably include extending the years for funding requests to provide in later years requested funding that was not provided this legislative session and is needed for the Nuclear Science Building Renovations/Addition (Engineering Nexus--\$18M in 2017-18) and Norman Hall Remodeling (\$8M in 2018-19) projects.

PROPOSED COMMITTEE ACTION

The Committee on Finance and Facilities is asked to approve the Amended Fixed Capital Outlay Capital Improvement Plan and Legislative Budget Request for Fiscal Years 2016-17 through 2020-21 for recommendation to the Board of Trustees for its approval on the Consent Agenda and for submission by the University of Florida to the Florida Board of Governors.

SIGNIFICANT POLICY ISSUES FOR COMMITTEE TO CONSIDER

Board of Governors approval is required.

Supporting Documentation Included: Fixed Capital Outlay Capital Improvement Plan and Legislative Budget Request for Fiscal Years 2016-17 through 2020-21

Submitted by: Curtis A. Reynolds, Vice President for Business Affairs

STATE UNIVERSITY SYSTEM
Five-Year Capital Improvement Plan (CIP-2) and Legislative Budget Request
 Fiscal Years 2016-17 through 2020-21

University - [University of Florida](#)

PECO-ELIGIBLE PROJECT REQUESTS

Priority No	Project Title	2016-17	2017-18	2018-19	2019-20	2020-21	Academic or Other Programs to Benefit from Projects	Net Assignable Square Feet (NASF)	Gross Square Feet (GSF)	Project Cost	Project Cost Per GSF (Proj. Cost/ GSF)	Educational Plant Survey Recommended Date/Rec No.	Approved by Law - Include GAA reference
		Year 1	Year 2	Year 3	Year 4	Year 5							
1	UTILITIES/INFRASTRUCTURE IMPROVEMENTS (P,C,E), (P,C,E), (P,C,E), (P,C,E), (P,C,E)	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000	ALL	N/A	N/A	90,000,000	N/A		2014
2	NUCLEAR SCIENCE BUILDING RENOVATIONS/ADDITION (ENGINEERING NEXUS) (P,C), (C), (CE)	25,000,000	18,000,000				ENGINEERING	51,465	79,185	53,000,000	\$ 669		2014
3	NORMAN HALL REMODELING/CONFERENCE CENTER ADDITION(P,C), (C), (CE)	8,000,000	8,437,950	8,000,000			EDUCATION	54,459	55,609	24,437,950	\$ 439		2014
4	IFAS ACADEMIC BUILDING(P,C,E)	8,000,000	7,868,900				IFAS	26,250	33,725	15,868,900	\$ 521	Supp Surv. Required	
5	FLORIDA NATURAL HISTORY MUSEUM BIODIVERSITY AND SPECIAL COLLECTIONS FACILITY(P,C,E)	10,000,000	22,800,000				ALL	34,250	51,995	32,800,000	\$ 631	Supp Surv. Required	
6	MULTIDISCIPLINARY INFORMATION TECHNOLOGY BUILDING (P,C,E)		27,500,000	29,800,000	12,500,000		ENGINEERING/HSC/IFA	102,000	163,500	69,800,000	\$ 427	Supp Surv. Required	
7	DENTAL SCIENCE BUILDING ADDITION AND RENOVATIONS (P), (C), (CE)		25,000,000	16,500,000	16,500,000	16,485,500	DENTISTRY	178,871	203,053	74,485,500	\$ 367	Supp Surv. Required	
8	CLAS LIFE SCIENCES (P,C), (C), (CE)				14,000,000	20,000,000	CLAS	52,850	83,780	52,000,000	\$ 621		2014
9	WHITNEY CENTER FOR MARINE ANIMAL HEALTH (P,C), (CE)				11,682,000	8,118,000	CLAS/HSC/IFAS/ENG	23,395	36,225	19,800,000	\$ 547		2014
10	PUBLIC SAFETY BLDG. (P), (C)				8,500,000	17,300,000	ALL	43,164	57,294	25,800,000	\$ 450		2014
11	IFAS NATURAL RESOURCES BUILDING (PC)					23,000,000	IFAS	58,420	92,060	42,200,000	\$ 458		2014
12	PSYCHOLOGY BUILDING REMODELING AND ADDITION (PC)					13,800,000	PSY	74,332	101,552	55,600,000	\$ 548		2014
13	ROLFS HALL RENOVATION/RESTORATION (P,C,E)					14,000,000	CLAS/IFAS/E&G	41,336	41,336	14,000,000	\$ 339		2014
14	WEIL HALL REMODELING, PHASE II (P,C), (C), (CE)					14,322,684	ENGINEERING	55,156	82,734	35,520,257	\$ 429		2014
15	MCCARTY HALL - A,B,D RENOVATIONS (P), (C), (CE)					35,293,500	IFAS	149,561	149,561	35,293,500	\$ 236		2014
16	ENVIRONMENTAL HEALTH & SCIENCES BUILDING (P,C,E)					45,000,000	CVM	55,000	90,000	45,000,000	\$ 500		2014
17	MUSIC BUILDING RENOVATION (P,C,E)					18,250,000	FINE ARTS	55,411	69,645	18,250,000	\$ 262		2014
18	TROPICAL RESEARCH AND EDUCATION CENTER(P,C,E)					6,000,000	IFAS	7,170	11,515	6,000,000	\$ 521		2014
TOTAL		69,000,000	127,606,850	72,300,000	81,182,000	243,569,684							

CITF PROJECT REQUESTS

Project Title	Year 1	Year 2	Year 3	Year 4	Year 5	Academic or Other Programs to Benefit from Projects	Net Assignable Square Feet (NASF)	Gross Square Feet (GSF)	Project Cost	Project Cost Per GSF (Proj. Cost/ GSF)	Committee Approval Date
TOTAL		0	0	0	0						

REQUESTS FROM OTHER STATE SOURCES

Project	Year 1	Year 2	Year 3	Year 4	Year 5	Academic or Other Programs to Benefit from Projects	Net Assignable Square Feet (NASF)	Gross Square Feet (GSF)	Project Cost	Project Cost Per GSF (Proj. Cost/ GSF)
PK YONGE DEVELOPMENTAL RESEARCH SCHOOL - PHASE 2 (P,C,E)	18,730,900					EDUCATION	45,800	59,000	18,730,900	\$ 317
JOINT USE LIBRARY STORAGE FACILITY (C,E)	17,957,488	6,685,000				SUS	57,650	62,970	26,660,000	\$ 423
TOTAL		36,688,388	6,685,000	0	0					

REQUESTS FROM NON-STATE SOURCES, INCLUDING DEBT

Project	Year 1	Year 2	Year 3	Year 4	Year 5	Academic or Other Programs to Benefit from Projects	Net Assignable Square Feet (NASF)	Gross Square Feet (GSF)	Project Cost	Project Cost Per GSF (Proj. Cost/ GSF)	Expected Source of Funding (if known)	Master Plan Approval Date
TOTAL		0	0	0	0							



**UNIVERSITY OF FLORIDA BOARD OF TRUSTEES
COMMITTEE ON FINANCE AND FACILITIES
COMMITTEE ACTION ITEM FF2
July 24, 2015**

SUBJECT: Amended Facilities Spending Plan FY 2015-16 for PECO/CITF/Other Appropriated Funds

BACKGROUND INFORMATION

Due to the Florida Legislature’s special session in June 2015, the Board of Trustees could only grant tentative approval of the University’s FY 2015-2016 spending plan for state appropriated funding during the June 2015 Board meeting, which predated the special session. The Board’s approval was contingent upon the final appropriations act for 2015-16 that would result from the special session and Governor’s action. This revised spending plan reflects the final appropriation received by the University. The Norman Hall project is no longer listed on the 2015-2016 spending plan because it was not funded for this period.

	Revised
• (PECO) Nuclear Science Bldg. Renovations/Addition (Engineering Nexus)	\$ 6,000,000 (was \$25M)
• (PECO) UF Boiler System	\$ 7,000,000 (same)
• (PECO) Maintenance/Repair/Renovations/Remodeling	\$14,072,792 (was \$18.6M)
• (CITF) J. Wayne Reitz Union Career Resource Center (CRC)	\$ 5,198,171 (was \$5.1M)

PROPOSED COMMITTEE ACTION

The Committee on Finance and Facilities is asked to approve the Amended Facilities Spending Plan for PECO/CITF/Other Appropriated Funds, which incorporates the final appropriations to the University in the State of Florida General Appropriations Act for 2015-16, for recommendation to the Board of Trustees for its approval on the Consent Agenda.

SIGNIFICANT POLICY ISSUES FOR COMMITTEE TO CONSIDER

Board of Governors approval is not required.

Supporting Documentation Included: See attached revised Facilities Spending Plan.

Submitted by: Curtis A. Reynolds, Vice President for Business Affairs

**UNIVERSITY OF FLORIDA
BOARD OF TRUSTEES
FACILITIES SPENDING PLAN
2015-2016**

Amended Final Spending Plan resulting from 2015 Florida Legislative Session
General Appropriations Act

<u>P.E.C.O.</u>	
UF BOILER SYSTEM	7,000,000
NUCLEAR SCIENCE BUILDING RENOVATIONS/ADDITION (ENGINEERING NEXUS)	<u>6,000,000</u>
TOTAL	13,000,000
<u>CAPITAL IMPROVEMENT TRUST FUND PROJECTS (CITF)</u>	
J. WAYNE REITZ UNION CAREER RESOURCE CENTER (CRC)	5,198,000
TOTAL	<u>5,198,000</u>
<u>MAINTENANCE, REPAIR, RENOVATION, AND REMODELING</u>	
MAINTENANCE, REPAIR, RENOVATION, AND REMODELING	14,072,792
TOTAL	<u>14,072,792</u>
<u>GENERAL REVENUE FUNDED APPROPRIATIONS</u>	
OTHER GENERAL REVENUE FUNDED APPROPRIATIONS	0
GRAND TOTAL	32,270,792



**UNIVERSITY OF FLORIDA BOARD OF TRUSTEES
COMMITTEE ON FINANCE AND FACILITIES
COMMITTEE ACTION ITEM FF3
July 24, 2015**

SUBJECT: Resolution R15-154-Amendment to R04-21, as amended by R10-69, as amended by R11-91, as amended by R12-103, as amended by R13-125, as amended by R14-137- Depository Payment Signatory Authority

BACKGROUND INFORMATION

Section 1011.42(7), Florida Statutes, requires that the University of Florida Board of Trustees specifically designate in the minutes of the Board the name and position title of any University employee authorized to sign checks and make payments from the University's depositories to pay legal obligations of the University. The University desires to update the list of authorized signatories for checks, payments and transfers of funds.

PROPOSED COMMITTEE ACTION

The Committee on Finance and Facilities is asked to approve Resolution R15-154 updating the list of designated signatories authorized to sign checks and make payments from, and to transfer funds to, within or between, depository accounts on behalf of the University of Florida for recommendation to the Board of Trustees for approval on the Consent Agenda.

SIGNIFICANT POLICY ISSUES FOR COMMITTEE TO CONSIDER

Board of Governors approval is not required.

Supporting Documentation Included: See attached Resolution R15-154.

Submitted by: Michael V. McKee, Vice President and Chief Financial Officer



**UNIVERSITY OF FLORIDA BOARD OF TRUSTEES
RESOLUTION**

Number: R15-154

Subject: Resolution R15-154-Amendment to R04-21, as amended by R10-69, as amended by R11-91, as amended by R12-103, as amended by R13-125, as amended by R14-137- Depository Payment Signatory Authority

Date: July 24, 2015

WHEREAS, the University of Florida Board of Trustees (the “Trustees”) adopted Resolution R14-21, as amended by Resolution R10-69, Resolution R11-91, Resolution R12-103, Resolution R13-125, and Resolution R14-137 setting forth depositories designated for deposit of funds for the University of Florida (the “University”) and authorized signatories respecting said accounts on behalf of the University, all as required pursuant to Section 1011.42(7), Florida Statutes; and

WHEREAS, the University desires to update the list of authorized signatories for checks, payments and transfers of funds respecting the depositories designated for deposit of funds for the University pursuant to this Resolution which amends and restates in their entirety the cited prior Resolutions’ authorized signatories on such depositories on behalf of the University;

NOW THEREFORE, BE IT RESOLVED, that pursuant to Section 1011.42(7), Florida Statutes:

- (1) The University employees listed on **Attachment A** attached hereto are each singly hereby authorized, on behalf of the University, in connection with the depository account(s) specified for the relevant employee, to sign checks and make payments of legal obligations of the University from, and to transfer funds to, within or between, depositories for investment or payment of expenditures of the University, including signing related documentation, for so long as such employee is employed by the University in the specified position or until such time as such authority is terminated by the Trustees or by the

President of the University or his designee with notice to the Trustees, provided, however, that the Vice President and Chief Financial Officer in consultation with the Chief Audit Executive shall approve internal controls for withdrawals and transfers of funds; and

(2) The University employees designated for removal of signatory authority on **Attachment A** are removed as authorized signatories for the Wells Fargo N.A., Citibank and Banca Intesa accounts, as applicable.

To the extent this Resolution conflicts with any prior Resolutions, including Resolutions R04-21, R10-69, R11-91, R12-103, R13-125 or R14-137, the terms of this Resolution shall control.

Adopted this 24th day of July, 2015, by the University of Florida Board of Trustees.

Steven M. Scott, Chair

W. Kent Fuchs President
and Corporate Secretary

Attachment A

to University of Florida Board of Trustees Resolution
Resolution R15-154

(1) Depositories:

- Wells Fargo Bank, N.A.
- Banca Intesa – UF Vicenza Institute of Architecture
- Citibank, N.A. -prepaid bank cards

(2) Signature Authority:

- Wells Fargo Bank, N.A.
All accounts:
Michael V. McKee, Vice President and Chief Financial Officer
Alan M. West, Senior Associate Controller
Cashiers account:
Jiachun Zhan, Assistant Controller
Tracey Woods, Accounting Coordinator 3
Karen Gillespie, Sr. Administrative Assistant
Robin M. Levine, Fiscal Operations Supervisor
Multi-Currency account:
Jiachun Zhan, Assistant Controller
Tracey Woods, Accounting Coordinator 3
Advantage Fund -Conservative account:
Jiachun Zhan, Assistant Controller
Tracey Woods, Accounting Coordinator 3
- Banca Intesa
Franca Stocco, Director, Vicenza Institute of Architecture
Jason Alread, Director, School of Architecture
Christopher Silver, Dean of Design, Construction and Planning
- Citibank, N.A.
Michael V. McKee, Vice President and Chief Financial Officer
Alan M. West, Senior Associate Controller
Jiachun Zhan, Assistant Controller
Tracey Woods, Accounting Coordinator 3

Remove Signature Authority:

- Wells Fargo Bank, N.A.
Cashiers account:
Cheryl J. Bell, Associate Controller
Jennifer L. Mitchell, Assistant Controller
Multi-Currency account:
Cheryl J. Bell, Associate Controller
Jennifer L. Mitchell, Assistant Controller
Advantage Fund -Conservative account:
Cheryl J. Bell, Associate Controller
Jennifer L. Mitchell, Assistant Controller
- Citibank, N.A.
Cheryl J. Bell, Associate Controller
Jennifer L. Mitchell, Assistant Controller



**UNIVERSITY OF FLORIDA BOARD OF TRUSTEES
COMMITTEE ON FINANCE AND FACILITIES
COMMITTEE MINUTES**

May 26, 2015

Pre-Meeting/Telephone Conference Call

1 Tigert Hall, University of Florida, Gainesville, Florida

Convened: 3:00 p.m. EDT

Adjourned: 3:20 p.m. EDT

1.0 Verification of Quorum

After a roll call, all members were present except Trustees Heavener, Thomas and Scott.

2.0 Call to Order and Welcome

Committee Chair, Jason Rosenberg called the meeting to order at 3:00 p.m. EDT.

Members present were:

Jason J. Rosenberg (chair), David L. Brandon, Susan M. Cameron, Anita G. Zucker. Trustees James W. Heavener, David M. Thomas and Steven M. Scott were unable to attend.

Others present were:

Charles Lane, Senior Vice President and Chief Operating Officer; Curtis Reynolds, Vice President for Business Affairs; Michael McKee, Vice President and Chief Financial Officer; Alan West, Sr. Associate Controller; Brad Staats, Assistant Vice President and Interim University Controller; Jeff Chorlog, Assistant Vice President Physical Plant; Eugene Herring, Associate Director Facilities Planning; Linda Dixon, Director, Facilities Planning Operations; Jamie Lewis Keith, Vice President, General Counsel and University Secretary, Michael Ford, Senior University Counsel, and Colt Little, Associate University Counsel; Janine Sikes, Assistant Vice President for Media Relations and Public Affairs

3.0 Review and Approval of Minutes

The minutes will be reviewed and approved at the June 4, 2015 committee meeting.

The Committee discussed the following action items, to be addressed and acted upon at the June meeting:

4.0 Action Items

FF1. Final Operating Budget of Revenues and Expenses for Fiscal Year Ended June 30, 2015 and Preliminary Operating Budget of Revenues and Expenses for Fiscal Year Ended June 30, 2016

The Committee reviewed the request to approve the final Operating Budget of Revenues and Expenses for Fiscal Year Ended June 30, 2015 and Preliminary Operating Budget of Revenues and Expenses for Fiscal Year Ended June 30, 2016. Because the legislature has not yet set a budget for the new fiscal year, the projection for 2016 was made using the final budget numbers for 2015.

FF2. Update to IOM 06-15 Investment Policy for Funds in Excess of Those Required for the Benefit of the University of Florida

Brad Staats, Assistant Vice President and Interim Controller, reviewed proposed changes to the UF Investment policy regarding operating funds above those required to meet the current needs of the university. The proposed policy takes those excess funds and invests them in longer term investments with moderate risk. He noted that there is still good liquidity available and the main change in the policy is in various portfolio mixes, including reducing investments in fixed incomes and moving more to hedged strategies with a better return.

FF3. Approval of Real Property Acquisition

The Committee will be asked to approve the purchase of property in Cedar Key, Florida, and Senior Vice President and Chief Operating Officer, Charlie Lane provided an overview.

FF4. Fixed Capital Outlay Legislative Budget Request for Fiscal Year 2016-2017

Curtis Reynolds, Vice President, Business Affairs, reviewed some of the projects in this year's budget request, which the Committee will further discuss at the June meeting.

FF5. Facilities Spending Plan for FY15 PECO/CITF/Other Appropriated Funds

The spending plan allows for encumbrance of state appropriated funds. The Committee and Board will be asked to approve a tentative plan based on the funding UF expects to receive, and this tentative plan will be deemed final if the final legislative appropriation provides the projected funding. If the outcome of the legislative session provides less appropriations than are projected, the Committee and Board will be asked to approve an amended plan by conference call in July.

FF6. Adoption of Campus Master Plan for 2015-2025

The Committee will be asked to approve the Campus Master Plan for recommendation to the full Board for its approval. The Board will also hold a final public hearing on June 4th, prior to taking final action at its meeting later that day. Any changes that become necessary as a result of the hearing will be considered and can be incorporated prior to final action.

FF7. Approval of Campus Development Agreement (CDA) for 2015-2025

Under law, the CDA must identify the impact that University development described in the campus master plan will have on public facilities and services and establish the University's fair share of the cost of improvements to address the impacts. The Committee and Board will be asked to approve the request to proceed with negotiations and execute the Campus Development Agreement as presented.

FF8. Approval of Real Property Exchange with Innovation Square, LLC

The Committee and Board will be asked to approve a land swap between UF and Innovation Square, LLC. The parcels were exchanged in 2012 and it is proposed that the parcels be transferred back to their original owners to allow possible construction of a second phase of the Innovation Hub facility.

5.0 Discussion/Information Items

The Discussion/Information Items will be addressed at the June 4, 2015 committee meeting.

6.0 New Business

There was no New Business to discuss.

7.0 Adjournment

After asking for any further discussion and hearing none, Committee Chair Rosenberg adjourned the meeting at 3:20 p.m. EDT.



**UNIVERSITY OF FLORIDA BOARD OF TRUSTEES
COMMITTEE ON FINANCE AND FACILITIES
MINUTES
June 4, 2015
Emerson Alumni Hall, Gainesville, Florida
Time Convened: 10:30 a.m. EDT
Time Adjourned: 11:20 a.m. EDT**

1.0 Verification of Quorum

After a roll call, Vice President, General Counsel and University Secretary, Jamie Lewis Keith, confirmed a quorum with all members present except for Committee Chair Jason Rosenberg. Ms. Keith noted that Trustee David Brandon would serve as Acting Chair for the meeting.

2.0 Call to Order and Welcome

Acting Committee Chair, David Brandon called the meeting to order at 10:30 a.m. EDT.

Members present were:

David L. Brandon (Acting Chair), Susan M. Cameron, James W. Heavener, David M. Thomas, and Anita G. Zucker. Board Chair Steven M. Scott attended the meeting of the Committee on Audit and Operations Review; Committee Chair Jason Rosenberg was unable to attend the meeting.

Others present were:

W. Kent Fuchs, President; Charles Lane, Senior Vice President and Chief Operating Officer; Jamie Lewis Keith, Vice President, General Counsel and University Secretary; Michael McKee, Vice President and Chief Financial Officer; Curtis Reynolds, Vice President for Business Affairs; William Reeser, Chief Executive Officer and Chief Investment Officer, UFICO; Edward Kelly, Chief Operating Officer, UFICO; Brad Staats, Assistant Vice President and Interim University Controller; other UF Vice Presidents and Directors, and members of the public and UF community.

3.0 Review and Approval of Minutes

After asking whether any Committee member would like separate votes and determining there was no desire to do so, the Acting Committee Chair asked for a motion to approve the minutes of the March 9, March 20 and April 2, 2015 Committee meetings, which was made by Trustee Cameron and seconded by Trustee Zucker. The Acting Committee Chair asked for further

discussion, after which he asked for all in favor of the motion and any opposed; and the motion was approved unanimously.

The Committee next addressed the following Action Items:

4.0 Action Items

FF1. Final Operating Budget of Revenues and Expenses for Fiscal Year Ended June 30, 2015 and Preliminary Operating Budget of Revenues and Expenses for Fiscal Year Ended June 30, 2016

Michael McKee, Vice President and Chief Financial Officer, presented the final operating budget for Fiscal Year 2014-15. The document was amended from the document approved at the December Board meeting to reflect the final revenues and expenditures. Approval by the Committee and the Board of Trustees is required in order to meet State reporting deadlines.

The Acting Committee Chair asked for a motion to approve FF1-Final Operating Budget of Revenues and Expenses for Fiscal Year Ended June 30, 2015 for recommendation to the Board which was made by Trustee Thomas and seconded by Trustee Cameron. The Acting Committee Chair asked for further discussion, after which he asked for all in favor of the motion and any opposed; and the motion was approved unanimously.

The Committee then reviewed the preliminary operating budget for Fiscal Year 2015-16. Because no final budget numbers have been determined by the legislature, the preliminary budget uses the same budget figures as the Fiscal Year 2014-15 budget. Once a budget is approved by the legislature and Governor, the UF budget will be amended for approval by the Committee and Board, as well as the Board of Governors.

The Acting Committee Chair asked for a motion to approve FF1-Preliminary Operating Budget of Revenues and Expenses for Fiscal Year Ended June 30, 2016. The motion was made by Trustee Thomas and seconded by Trustee Zucker. The Acting Committee Chair asked for further discussion, after which he asked for all in favor of the motion and any opposed; and the motion was approved unanimously.

FF2. Update to IOM 06-15 Investment Policy for Funds in Excess of Those Required for the Benefit of the University of Florida

Michael McKee, Vice President and Chief Financial Officer, reviewed proposed changes to the UF Investment policy regarding operating funds above those required to meet the current needs of the university. The proposed policy changes allow those excess funds to be invested in long term investments with limited risk. He noted that there is still adequate liquidity available to the university. The main change in the policy is a change in various portfolio mixes, including reducing investments in fixed income and moving more to hedged strategies.

In response to a question about investment mix from Trustee Thomas, William Reese, Chief Executive Officer and Chief Investment Officer of the University of Florida Investment

Corporation (UFICO) and Edward Kelly, Chief Operating Officer of UFICO, reviewed the rationale and breakdown of the investment mix and other changes. Currently just over 54 percent of the funds is invested in the state SPIA investment account, 21 percent in an endowment portfolio, 15 percent in short duration fixed income and 9 percent in hedge funds. The objective is to get a 3.5 percent return on investment, which is used in the University strategic fund projections. Because there were duplicate liquid investments in SPIA and UFICO, UFICO proposed rebalancing so that 50 percent of the funds is in hedge strategies, which provide better return with one-third the volatility of other funds. Mr. Kelly asked whether the questions were answered and they were.

The Acting Committee Chair asked for a motion to approve FF2, which was made by Trustee Cameron and seconded by Trustee Thomas. The Acting Committee Chair asked for further discussion, after which he asked for all in favor of the motion and any opposed; and the motion was approved unanimously.

FF3. Approval of Real Property Acquisition

Charles Lane, Senior Vice President and Chief Operating Officer, presented a proposal to purchase The Gulf Side Motel in Cedar Key, Florida. The property totals approximately 0.4 acres, and contains a motel and office of approximately 4,700 square feet. Purchase of the land and buildings would serve the Seahorse Key Marine Lab, located on Seahorse Key, providing a mainland base and docking facility. The facility would also be used by an IFAS lab on Cedar Key. The property includes rights to build a dock for the University-owned research boat.

The Acting Committee Chair asked for a motion to approve FF3-Approval of Real Property Acquisition, which was made by Trustee Zucker and seconded by Trustee Thomas. The Acting Committee Chair asked for further discussion, after which he asked for all in favor of the motion and any opposed; and the motion was approved unanimously.

FF4. Fixed Capital Outlay Legislative Budget Request for Fiscal Year 2016-2017

Curtis Reynolds, Vice President for Business Affairs, presented the list of fixed capital outlay budget requests to the Legislature, including Educational Plant Survey amendments. Among the priority requests are funds for the NEXUS engineering building and Norman Hall Renovations. Four facilities, the IFAS academic building, Museum of Natural History, Multidisciplinary Information Technology Building, and Dental Science Building, require supplemental Educational Plant Surveys. It is possible that changes will be needed if the outcome of the legislative session provides less funding than projected. In such event, there will be a July Committee and Board call to review and approve the necessary changes.

The Committee Chair asked for a motion to approve FF4-Fixed Capital Outlay Legislative Budget Request for Fiscal Year 2016-2017, which was made by Trustee Heavener and seconded by Trustee Thomas. The Chair asked for further discussion, after which he asked for all in favor of the motion and any opposed; and the motion was approved unanimously.

FF5. Facilities Spending Plan for FY15 PECO/CITF/Other Appropriated Funds

Curtis Reynolds, Vice President, Business Affairs presented the annual Spending Plan based upon the anticipated outcome of the 2015 Florida Legislative session. The University of Florida anticipates the following appropriations:

- (PECO) Nuclear Science Bldg. Renovations/Addition (Engineering Nexus) \$25,000,000
- (PECO) Norman Hall Remodeling/Conference Center Addition \$ 8,000,000
- (PECO) UF Boiler System \$ 7,000,000
- (PECO) Maintenance/Repair/Renovations/Remodeling \$18,558,218
- (CITF) J. Wayne Reitz Union Career Resource Center (CRC) \$ 5,100,000

The Committee was asked to tentatively approve the facilities spending plan, which tentative approval would be deemed final if the final appropriations provide the projected funding. If the final appropriations at the end of the legislative session and Governor action are less than projected, the Committee and Board will be asked to approve amendments by conference call/meeting in July.

The Acting Committee Chair asked for a motion to approve FF5-Facilities Spending Plan for FY15 PECO/CITF/Other Appropriated Funds on the terms described above and in the materials, which was made by Trustee Cameron and seconded by Trustee Zucker. The Acting Committee Chair asked for further discussion, after which he asked for all in favor of the motion and any opposed; and the motion was approved unanimously.

FF6. Adoption of Campus Master Plan for 2015-2025

Curtis Reynolds, Vice President for Business Affairs, reviewed the process which has led to the final proposed Campus Master Plan being presented to the Committee. By law, university master plans must be updated at least every five years.

At the December 5, 2014 board meeting, the University was authorized to commence the process for adopting the Campus Master Plan (CMP) for 2015-2025. The required first public hearing was conducted on December 16, 2014 and the proposed CMP was provided to the City of Gainesville, Alachua County and eight additional state and regional agencies for review as required.

The Committee was asked to approve the new Campus Master Plan. The Board will hold the final public hearing later in the afternoon and if any comments received warrant changes the Board can be asked to incorporate them. Then, the Board will be asked to approve the final Campus Master Plan at the end of the hearing.

The Acting Committee Chair asked for a motion to approve FF6-Adoption of Campus Master Plan for 2015-2025, which was made by Trustee Zucker and seconded by Trustee Heavener. The Chair asked for further discussion, after which he asked for all in favor of the motion and any opposed; and the motion was approved unanimously.

FF7. Approval of Campus Development Agreement for 2015-2025

Curtis Reynolds, Vice President for Business Affairs, reviewed the expectations of the negotiations with the City of Gainesville and Alachua County regarding the Campus Development Agreement (CDA) which must be renewed every five years.

Under law, the CDA must identify the impact that University development described in the campus master plan will have on public facilities and services including roads, sanitary sewer, solid waste, storm water run-off, potable water, parks and recreation, and public transportation. The law also provides that certain public facilities and services, including fire/emergency rescue, may be addressed in the CDA. Furthermore, the agreement establishes the University's fair share of the cost of improvements necessary to address the impacts. The Committee and Board are asked for approval to allow President Fuchs or his designee, Dr. Lane, to negotiate and approve the agreements. There are no financial obligations set out in this agreement.

The Acting Committee Chair asked for a motion to approve FF7-Approval of Campus Master Agreement for 2015-2015 which was made by Trustee Thomas and seconded by Trustee Cameron. The Chair asked for further discussion, after which he asked for all in favor of the motion and any opposed; and the motion was approved unanimously.

FF8. Approval of Real Property Exchange with Innovation Square, LLC

Charles Lane, Senior Vice President and Chief Operating Officer, presented a proposal for a land swap between UF and Florida Innovation Hub LLC. UF originally owned nearly all of Parcel A and the LLC originally owned Parcel B. The parcels were previously exchanged for one another in 2012 (resulting in today's ownership status), in order to accommodate a private construction project which did not materialize. It is proposed that Parcel A and Parcel B be transferred back to their original owners to allow possible construction of a second phase of the Innovation Hub facility. The Committee and Board are asked to waive the requirement relating to due diligence and authorize the President or the Senior Vice President and Chief Operating Officer as his designee to approve, execute and deliver all related documents and take all other actions deemed by him to be in the best interest of the University to accomplish the proposed property exchange. The parcels have no vertical improvements and are well-known to the University and the LLC (whose interest holders are a Direct Support Organization and Shands Teaching Hospital and Clinics, Inc.); this in-the-family transaction holds little risk for either party and the University is getting the slightly larger parcel.

The Acting Committee Chair asked for a motion to approve FF8-Approval of Real Property Exchange with Innovation Square, LLC, which was made by Trustee Zucker and seconded by Trustee Heavener. The Acting Committee Chair asked for further discussion, after which he asked for all in favor of the motion and any opposed; and the motion was approved unanimously.

5.0 Discussion/Informational Items

5.1 Construction and Maintenance update

Curtis Reynolds, Vice President for Business Affairs, updated the Committee on the ongoing projects at UF and critical deferred maintenance. Ongoing projects include:

- The Chemistry and Chemical Biology Building – Completion of the project is expected in summer 2016.
- Reitz Union Expansion -- The project is on schedule for fall 2015 completion.
- Cypress Hall student housing. This is 85 percent complete and will be ready for student occupancy this fall.
- Office of Student Life. Site work on this facility is just beginning.
- Harrell Medical Building –This project is 90 percent complete and on schedule for a July completion.
- Football indoor practice facility – This project is on schedule for completion around September this year.

Vice President Reynolds noted that there is currently more than \$200 million of construction activity on campus and projects are on time and in budget. Acting Committee Chair David Brandon commended Vice President Reynolds on running such a large capital program on time and in budget.

Trustee Cameron asked about deferred maintenance needs. Vice President Reynolds noted that there is approximately \$40 million of deferred and critical maintenance that has been identified and this problem will only grow worse in coming years. Currently over half of campus buildings are over 30 years old and this proportion will increase as time continues. Trustee Brandon expressed concern noting that this is an issue on which the Committee may need to do some serious strategic planning. A white paper that could be used with the legislature and others was noted as a possibility.

5.2 UFICO Update

William Reeser, Chief Investment Officer and Edward Kelly, Chief Operating Officer, UFICO updated the Committee on the status of UF Endowment investments.

The UFICO investment goal is growth focused with 80 percent of investments in public equities, hedged strategies and private equity; 12.5 percent in private real estate and natural resources and 7.5 percent in fixed income and cash. New strategic targets are being set to rebalance some of those asset classes, particularly in the public and private equity and hedged strategies.

Two new benchmarks have been developed including an aggressive benchmark of CPI (inflation) plus 5 percent growth.

In the first quarter of this year there was a 2 percent return on investments, which was ahead of the benchmarks.

6.0 New Business

There was no New Business to discuss.

7.0 Adjournment

After asking for any further discussion and hearing none, Acting Committee Chair Brandon asked for a motion to adjourn. With no further discussion, the motion was passed unanimously and the Finance and Facilities Committee meeting was adjourned at 11:20 a.m. EDT.