

**Board of Trustees
Finance and Facilities Committee
Meeting Minutes
November 30, 2006**

Trustees Present:

Roland Daniels
John Boyles
Mac McGriff
Joelen Merkel
Al Warrington

The meeting was called to order by Roland Daniels who was serving as chair in the absence of Diana Morgan. Minutes from the September 7, 2006, were approved as presented.

The requests to name the softball stadium the Katie Seahole Pressly Stadium and the Warrington College of Business' Center for Public Policy Research the Robert F. Lanzillotti Center for Public Policy Research were approved as recommended.

The proposed changes to the Investment Policy were approved by the committee.

The revisions to Internal Operating Memorandum 02-4 regarding selection of professional consultants, construction managers and design/builders were approved as requested.

Agenda discussion items were then brought before the committee.

Athletic Director Jeremy Foley provided the committee with a UAA facility update. A significant renovation/expansion of the stadium is in the planning stages. This would include expansion of the football coaches' offices, the weight room, the Gator Room and the lobby. The UAA board has approved the hiring of an architect to begin the planning. The total cost is undetermined at this time, but will be approximately \$20 to \$24 million. The majority of funding will be provided by private donations and the UAA may need to sell bonds to fund the remaining costs. The UAA will follow the existing debt management guidelines of the University to obtain bond approval. The anticipated start date for construction is February 2007, and completion is anticipated by the 2008 football season. Mr. Foley will provide the committee with further updates on the progress of this project.

The committee then reviewed the Quarterly Financial Report as of September 30, 2006. The committee asked that at their next meeting staff provides them with an analysis of the cost and effort expended to provide fully accrued quarterly financial reports.

The draft Annual Financial Report as of June 30, 2006, was then reviewed. Trustee Merkel reported that at the Board of Governors Audit Committee Workshop, the Auditor General reported that their audit of the University's Annual Financial Report was underway, but issuance of their opinion would be delayed because of a lack of staff. The audited financial statements should be completed sometime in spring of 2007.

The committee was informed that the University intends to build a new parking garage of approximately 1,000 spaces and that approval for the issuance of bonds to pay for construction would be brought to the Board at a future meeting. The location of the garage is pending University committee approval and the structure should be four or five stories.

The committee was informed that the Campus Development Agreement has been submitted to the Board of Governors for approval. The Board of Governors will be on campus next week and the University hopes to receive approval at the January meeting of the Board of Governors.

The proposed increases in local student fees are being submitted to the Committee on Educational Policy and Strategy for approval, and are presented to the Finance and Facilities committee as information. There were no questions from the committee.

A construction update was provided to the committee. The escalation of construction material costs at a rate of 1 to 1 ½ % a month was discussed. It does not appear that increases in the cost of materials will slow in the near future. It was explained to the committee that estimated cost of the UAA stadium renovation project was shown as \$14 million in the board materials. This estimate was an early cost figure and will be updated as the project is further planned and costed.

The committee was provided with information regarding the University's recent execution of a climate commitment agreement. UF is one of the first universities in the nation to sign such a commitment. Under this agreement the University has committed to developing a plan to achieve climate neutrality. This commitment includes five tangible actions to reduce greenhouse emissions, and parties to the agreement commit to initiating at least two of the five. The University has already accomplished three of the five actions. The University is receiving positive mention in the press as a result of our sustainability initiatives and is initiating further collaborative efforts with Alachua County government that both parties are excited about.

The committee was informed of the naming of a simulation laboratory in Frazier-Rogers Hall after a recently deceased student, McNair Bostick.

Strategic sourcing initiatives are under way at the University and the committee was briefed on these. University spending for five commodities or services is currently being analyzed in order to enable the negotiation of more favorable purchasing contracts. The biggest price advantages, rebates and signing bonuses are available when the University agrees to exclusively purchase from a sole vendor. For office supplies, an exclusive

purchasing agreement with a large national firm could adversely affect small and local businesses. The committee asked that the cost benefit of such agreements take into consideration all aspects of the issue and that local businesses should be a part of this consideration. The members of the committee will be informed of progress on the office supply strategic sourcing.

The committee then recognized two University employees for outstanding service and performance. Mr. Dana Simmons of the Physical Plant Division and Mr. Pat Piper of Finance and Accounting have each worked at the university for 27 years. Mr. Simmons supervises over 500 employees in the Building Services Department which is responsible for providing custodial and special need services for all facilities on campus. Mr. Piper is the supervisor of the student loan collection office and works to ensure collection of over \$15 million in outstanding student loans in collectible status.

Trustee Warrington asked several questions regarding the responsibilities of the Finance and Facilities committee. Discussion ensued regarding whether the committee was responsible for reviewing UFICO performance and approving the budgets of Direct Support Organizations. Trustee McGriff explained the Committee on Governance was reviewing committee responsibilities and would be making recommendations to the Board on this topic.

Trustee McGriff then asked that the committee be provided at their next meeting information regarding the university's past and future budget for IT and People Soft expenditures, and budget to actual information to date. This information should include past loans/borrows from other university units that have assisted in funding IT and the People Soft project.

There being no further items for discussion, the committee was adjourned.