

Finance and Facilities Committee
Meeting Minutes
March 16, 2009

The meeting was called to order by Chair Al Warrington. Trustees Joelen Merkel, Cindy O'Connell, Kevin Reilly, Frank Bova and Courtney Cunningham were in attendance.

The minutes of the Finance and Facilities Committee meeting of September 4, 2008, were approved.

Action items were presented to the committee:

The proposed Transportation and Parking Services budget for fiscal year 2009-10 was reviewed by the committee and approved as presented.

The proposed amendments to the Operating Budget for 2008-09 were reviewed by the committee and approved as presented. The amendments recorded the 4% hold back of state funding implemented by the special session of the Florida Legislature and budgeted \$6 million of unbudgeted tuition reserves for the payment of utilities.

Proposed changes to University of Florida regulations were reviewed and approved by the committee.

The proposed amendment to the 2009-10 Fixed Capital Outlay (FCO) project list was reviewed and approved by the committee. The amendment combines the PECO projects for Utilities/Infrastructure Improvements and the Chemistry/Chemical Biology Building & Renovation of Existing Facility, and allocates the combined \$17,938,751 to Utilities/Infrastructure Improvements. These added funds will be used to implement energy saving initiatives to reduce utility costs. The Chemistry building and renovation project will continue with planning in 2009-10.

Agenda discussion items were then brought before the committee.

The audited Annual Financial Report for the fiscal year ended June 30, 2008, was presented to the committee. There were no audit findings included in the report. Trustees Warrington and Merkel requested that VP/ CFO Matt Fajack provide the committee with monthly financial status reports for Shands Hospital and the faculty practice plans.

The University financial report as of December 31, 2008, was presented to the committee.

VP/CFO Fajack updated the committee on the latest revenue estimating committee meeting held in Tallahassee last week. Current projections are that the current fiscal year revenues will be approximately \$1.1 billion less than the last projection, and the 2009-10 revenues will be \$2.3 billion below the previous estimate.

Faylene Welcome, Director of the University's Small Business and Vendor Diversity Relations Office presented information on UF's initiatives to inform, educate, and conduct business with small businesses. Following the presentation, the committee made several suggestions for strengthening the program and its efforts.

An update on construction projects was provided to the committee by Assistant Vice President Carol Walker. Highlights include the pending demolition of the existing bandshell and construction of a new facility, the awarding of silver LEED certification for the HUB historic renovation, and the observation that recent construction bids have been lower than originally projected.

Vice President Poppell briefed the committee on the current status of utilities expenses. Progress Energy had announced an increase of 26% earlier in the fiscal year, but has now reduced the increase to 14% which will save the University approximately \$2.1 million through the end of the fiscal year. However, an additional increase in rates is expected from Progress Energy next fiscal year and the University is projecting a \$6.5 million dollar shortfall in the utility budget for next fiscal year.

The committee was informed that the University is pursuing funding for all opportunities available through the Federal stimulus package.

The presentation on the Archer Road project was deferred to the next committee meeting.

University employees were presented to the committee for recognition of their dedicated service to campus.

Joanne Ryles is a custodial superintendent in Physical Plant. She has been employed almost 35 years, and currently supervises the night shift at the Health Science Center.

Donna McClure joined the UF payroll department in 1993. She is the first Certified Payroll Professional in the payroll department, and is one of three payroll managers in the department.

Both employees were commended by the committee for their loyalty and tireless efforts on behalf of the University.

With no further business to conduct the committee meeting was adjourned.