

Finance and Facilities Committee
Meeting Minutes
March 15, 2010

The meeting was called to order at 2:15 p.m. In attendance were Marshall Criser; Jack Mecholsky; Dianna Morgan; and Al Warrington, acting as chair.

The minutes of the December 10, 2009, committee meeting were approved as presented.

Proposed action items were brought to the committee:

The Transportation and Parking Services auxiliary budget for fiscal year 2010-11 was presented to the committee. The University has several parking decks funded by long term bonds containing covenants requiring the Board of Governors to receive and approve the subject budget. The committee was briefed on causes of auxiliary liquidity fluctuations in the past three years, caused mainly by utility cost increases. The renewal and replacement reserves are funded, based on an engineering study conducted approximately every five years that prioritizes maintenance projects based on critical need and life/safety issues. The Transportation and Parking auxiliary budget for fiscal year 2010-11 was unanimously approved as presented.

The proposed naming of the new lacrosse stadium was presented to the committee. Donald R. Dizney has provided extraordinary financial support for the athletic program, and in recognition, it is recommended that the new lacrosse stadium be named the Donald R. Dizney Lacrosse Stadium. The naming was approved unanimously by the committee.

The committee was provided with proposed changes to Board of Trustee resolution R04-21 regarding University depositories. It is necessary to amend the lists of designated depositories and employees authorized to sign checks. There were no questions from the committee and the changes to the resolution were unanimously approved.

The final action item presented was the recommended approval of the internal loan for construction of the Eastside Campus Data Center. The loan will be provided by the UF Foundation in the amount of \$12,000,000 and repaid from auxiliary revenues of the Computer Network Services department. The \$12,000,000 cost of the facility will include running fiber-optic cable to the site and some other non-construction costs, such as equipment. The financing of the Eastside Campus Data Center was approved unanimously by the committee.

Proposed discussion items were then discussed by the committee.

An update of the University's sustainability efforts was presented by Anna Prizzia, the University's Director of Sustainability. The committee was informed that sustainability is a core value of the University as we strive to teach future leaders.

The Office of Sustainability has developed a University-wide vision and strategy, which includes a 3-year plan of action. Both the vision and strategy were formed through a collaborative and inclusive process that reached out to all areas of campus. Visionary goals of the University include carbon neutrality by 2025 and zero waste by 2015.

Sustainability efforts include campus outreach programs to many areas of campus, institutional advancement via many partnerships and grass root efforts. While a number of challenges exist in achieving the goals, UF's efforts have been recognized by several national organizations, including the Sierra Club and the Princeton Review.

The quarterly financial report as of December 31, 2009, was presented to the committee. A summary review of items of interest and variances was provided. Trustee Warrington commented the footnotes and explanations are very helpful to the committee.

The committee was informed that the University of Florida's Annual Financial Report for the fiscal year ended June 30, 2009, has been issued, and electronic versions of the report have been sent to all trustees. The University received an unqualified opinion from the State of Florida Auditor General on their financial statements, and hard copies were distributed to those committee members who desired a copy.

A construction update was then presented to the committee. Slides providing construction information and depicting renderings of projects currently underway were provided for Hough Hall, Counseling and Wellness Center, Harn Asian Art Wing, East Campus Office Building, Veterinary Education and Clinical Research Center, and the Southwest Recreation Center expansion. Projects in the design phase include the Research and Academic Center at Lake Nona and the Chemistry/Chemistry Biology building. Several additional projects are currently in the planning phase, including the Innovation Hub, the IFAS Professional Development Center, and the East Campus Data Center.

The committee was provided with a brief update on Responsibility Center Management budget activities. More than 100 meetings have been held across campus to inform and prepare the departments for the new budgeting. Training is on-going and is available on-line to employees. RCM budgeting will be implemented for the campus for the fiscal year beginning July 1, 2010.

A brief preview of the State of Florida budget was provided. The House preliminary budget calls for higher education reductions of approximately 6.9% from last year. The state revenue estimating committee met last week and revenue is now estimated to increase by 1% this year over last year. The estimated PECO budget for next year of \$12 to \$13 million is significantly less than prior year PECO budgets, and no construction matching funds are estimated to be available next year.

The committee was then introduced to Mr. Bob Burton, who is retiring from the university after over 20 years of service. For many years, Mr. Burton has been responsible for the preparation of

the University's annual financial report. The just released annual financial report for fiscal year 2008-09 will be the last of his career. On behalf of the committee, Trustee Warrington thanked Mr. Burton for his many years of service and excellent work. Mr. Warrington expressed his opinion that the recently released annual financial report is the best of many great reports.

A group of employees was then presented to the committee for recognition of their efforts in the planning and implementation of a University electronic procurement system. This integrated system allows University employees to more easily initiate purchases in a catalog shopping environment and assists the University in tracking purchases and obtaining discounted prices from vendors. The project was completed in a period of 12 months, due to the dedicated efforts of these employees. The committee congratulated the group on their efforts on behalf of the University.

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